FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

East Asia

FBIS-EAS-90-232
Monday
3 December 1990

Daily Report
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FBIS-EAS-90-232 *3 December 1990*

CONTENTS

NOTICE TO READERS: An • indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

Yeutter: Japan Stand on Rice Issue 'Unacceptable' *[KYODO]* 1
Canada, Italy See GATT Uruguay Round Impasse *[KYODO]* 1

NORTHEAST ASIA

Japan

Iraqi Acceptance of Bush Offer on Talks Welcomed *[KYODO]* 2
Senior Official Sent to Iraq for Hostages' Talks *[KYODO]* 2
Iraq 'Positive' Toward Gulf Conference Proposal *[KYODO]* 2
Families of Hostages Depart for Iraq 30 Nov *[KYODO]* 2
Arrive in Baghdad *[KYODO]* 3
Iraq To Allow Visits *[KYODO]* 3
Kaifu Says Bush's Expected Feb Visit 'Delayed' *[KYODO]* 3
U.S. Navy Drops Plan To Send Japanese to Gulf *[KYODO]* 3
Kadena Officials Object to KC-135 Transfer *[RYUKYU SHIMPO 1 Dec]* 4
Government Spokesman Welcomes Kohl Victory *[KYODO]* 4
PRC Refuses To Repatriate 'Boat People' *[KYODO]* 4
USSR To Receive Help in Distribution of Food *[KYODO]* 4
Proviso Banning Travel to DPRK To Be Deleted *[KYODO]* 5
Envoy: Ties With DPRK Hinge on Nuclear Accord *[KYODO]* 5
Kaifu Reaffirms Korean Fingerprinting Policy *[KYODO]* 5
Komeito Delegation Departs for Seoul 3 Dec *[KYODO]* 6
Spokesman Denies Emperor To Visit ROK in May *[KYODO]* 6
'Unseasonal' Typhoon Disrupts Air, Rail Traffic *[KYODO]* 6
Police Suspect 'Radicals' in Kyoto Fires *[KYODO]* 7
Government Studying Revision of Defense Program *[KYODO]* 7
Defense Budget Reported *[KYODO]* 7
Envoy Says Defense Buildup 'Should Continue' *[KYODO]* 8
Expert Warns Against Liberalizing Rice Imports *[KYODO]* 8
Ministers Depart for GATT Talks in Brussels *[KYODO]* 9
Enforcement of Existing Trade Regulations Pledged *[KYODO]* 9

North Korea

NODONG SINMUN on UN Gulf Resolution *[KCNA]* 9
'Differences' at N-S Contact Analyzed, Explained *[Pyongyang Radio]* 10
North Sets Conditions for 'Successful' Concert *[KCNA]* 11
Tripartite Reunification Talks Held in Berlin *[KCNA]* 11
Letter Sent to UN Chief *[KCNA]* 12
Seoul's Arrest of Delegates Decried *[KCNA]* 12
Group Demands Detainees' Release *[KCNA]* 13
Foreign Ministry Statement Distributed at UN *[KCNA]* 13
Continued Reportage on O Chin-u's Iran Visit 13
Meeting With Leaders Noted *[Pyongyang Radio]* 13
Imam Khomeyni's House Visited *[Pyongyang Radio]* 14
Delegation Hosts Reception *[KCNA]* 14
Delegation Departs Iran 30 Nov *[Pyongyang Radio]* 14
O Chin-u Military Delegation Arrives in Bangkok *[Pyongyang Radio]* 14
Kim Il-song Greets Lao Party, State Leaders *[KCNA]* 15

Meeting Marks Lao Anniversary *[KCNA]* 15
Kim Yong-nam, Delegation Meet Cuba's Castro *[Pyongyang Radio]* 15
KCNA Reviews 3 Dec Pyongyang Press 15
Revolutionary Chuche Party Building Praised *[KCNA]* 16
Kim Il-song Gives Guidance at Complex *[KCNA]* 17
New Slogans Found on North Area Trees *[KCNA]* 18
Editorial on Nonferrous Metal Work *[Pyongyang Radio]* 19

South Korea

Daily Views UN Resolution on Persian Gulf *[TONG-A ILBO 30 Nov]* 21
Three Dissidents Arrested at Kimpo Airport *[YONHAP]* 21
North, South Fail To Reach Agreement in Contact *[Seoul Radio]* 22
Another Contact Proposed *[YONHAP]* 22
S, N Finalize Plans for Musical Concert *[YONHAP]* 22
Seoul Plans Cooperation Projects With Pyongyang *[SEOUL SINMUN 27 Nov]* 23
Expanded Direct Trade With Pyongyang Sought *[THE KOREA HERALD 27 Nov]* 23
Civilian Vessels Pass Through Neutral Waters *[THE KOREA HERALD 25 Nov]* 23
North Could Possibly Use New Satellite *[THE KOREA TIMES 2 Dec]* 24
All DPRK Students in USSR 'Ordered Home' *[THE KOREA HERALD 30 Nov]* 24
Seoul Planning Antiwar Agreement With USSR *[CHOSON ILBO 3 Dec]* 24
Date of President No's USSR Visit Confirmed *[Seoul Radio]* 25
Soviet Ambassador To Take Post by Mid-December *[YONHAP]* 25
Delegation To Head for Moscow Trade Talks *[YONHAP]* 25
Joint-Venture Institute With Soviets Planned *[CHUNGANG ILBO 27 Nov]* 25
40 Tons of Uranium From USSR Arrives *[YONHAP]* 26
Representative in Beijing on PRC Relations *[THE KOREA HERALD 25 Nov]* 26
Seoul To Withdraw 10 Overseas Missions by 1992 *[HANGUK ILBO 29 Nov]* 26
Trade With Socialist Countries Rises Sharply *[YONHAP]* 27
No Tae-u Instructs Uruguay Round Negotiators *[YONHAP]* 27
Minister Views GATT Process *[THE KOREA HERALD 1 Dec]* 27
'Special Consideration' Requested *[YONHAP]* 28
* Government Searches for New Economic Policy 29
* Policy Review Ordered *[MAEIL KYONGJE SINMUN 27 Sep]* 29
* 'Dilemma' Over Raising Prices *[MAEIL KYONGJE SINMUN 20 Sep]* 30

SOUTHEAST ASIA

Burma

News Conference on Burmese Students Reported *[Delhi International]* 32
Two NLD Members Declared 'Abscondees' *[WORKING PEOPLE'S DAILY 27 Nov]* 32
Karen Insurgents Reportedly Disrupting Peace *[Rangoon Radio]* 32

Brunei, Malaysia & Singapore

Malaysia

Minister Hails Bush Offer of Talks With Iraq *[Kuala Lumpur International]* 32
Mahathir Says Embassy Staff To Remain in Iraq *[Kuala Lumpur International]* 33
Libyan Ambassador States Views on Gulf Crisis *[BERNAMA]* 33
Mahathir Clarifies Support for UN Resolution *[Kuala Lumpur International]* 33
'Clear' Reasons Seen for UN Vote Against Iraq *[Kuala Lumpur International]* 34
Oil Production Increased Due to Gulf Crisis *[BERNAMA]* 34
Oil Revenues Projected To Increase Next Year *[Kuala Lumpur International]* 34
Lee Kuan Yew on Singapore-Malaysia Relations *[BERNAMA]* 35
Johor Congratulates Singapore's Goh Chok Tong *[Singapore Radio]* 35
Editorial Views Installment of Singapore Premier *[NEW STRAITS TIMES 29 Nov]* 35
Visit of Fiji's Prime Minister Continues 36
Fiji Seeks Closer ASEAN Ties *[BERNAMA]* 36
Ratu Mara Speaks at ISIS 27 Nov *[AFP]* 36

Mahathir Offers More Training *[Kuala Lumpur International]* ... 37
Prime Minister Ends Visit 29 Nov *[BERNAMA]* ... 37
Mahathir Opens UMNO General Assembly 30 Nov *[Kuala Lumpur International]* ... 38
Mahathir: Rulers Not Free To Do As They Like *[Kuala Lumpur TV]* ... 38
Kelantan, Sabah Ministers Barred From Meetings *[BERITA MINGGU 11 Nov]* ... 39
Minister Sued for Remarks Against Sultan *[Kuala Lumpur TV]* ... 39
Ghafar Views Public Support, UN Resolution *[Kuala Lumpur International]* ... 40

Singapore

Goh Chok Tong Congratulates Britain's Major *[Singapore Radio]* ... 40

Cambodia

Hun Sen Gives Press Briefing on Situation *[Phnom Penh Radio]* ... 40
Chea Sim Cited on Opposition to UN Peace Plan *[KYODO]* ... 43
Chairs National Day Meeting *[Phnom Penh Radio]* ... 43
Sar Kheng on Siem Reap Fighting, UN Plan *[Phnom Penh Radio]* ... 44
Urges Cadres To Expand Control *[Phnom Penh Radio]* ... 45
Latest Sihanouk Overture Termed 'Antiquated' *[Phnom Penh Radio]* ... 45
Phnom Penh Said Seeking Military Solution *[AFP]* ... 46
National Government Foreign Ministry Statement *[Radio VONADK]* ... 46

Indonesia

Muslim Heads Ask Government To Mediate in Gulf *[ANTARA]* ... 47
Group of 66 Irian Jaya GPK Members Surrender *[Jakarta Radio]* ... 48
Suharto, Japanese Banker Discuss Financial Aid *[ANTARA]* ... 48

Laos

15th National Day Celebrations Held ... 48
Leaders Attend Rally *[KPL]* ... 48
Sisavat Gives Opening Speech *[Vientiene Radio]* ... 49
Kaysone Speaks at Rally *[Vientiene Radio]* ... 50
Sisavat Gives Closing Speech *[Vientiene Radio]* ... 54
Phoumi Vongvichit Addresses Well-Wishers *[Vientiene Radio]* ... 54
Bomb Explodes in Vientiane 29 Nov; No Injuries *[Bangkok THE NATION 1 Dec]* ... 55
Two More Bombs Explode *[AFP]* ... 55
PASASON Editorial Marks National Day *[KPL]* ... 55
Leaders Send Greetings on National Day ... 56
Soviet Leaders Send Message *[Vientiene Radio]* ... 56
PRC Leaders Send Message *[Vientiene Radio]* ... 56
SRV Leaders Send Telegram *[KPL]* ... 57

Philippines

Aquino Launches Venture With Japanese Firms *[KYODO]* ... 57
Japan Increases Loans With New Program *[BUSINESS WORLD 3 Dec]* ... 58
Government To Ask IMF for $700M in Loans *[THE MANILA CHRONICLE 3 Dec]* ... 58
Aquino Ready To Name De Villa's Successor *[Quezon City Radio]* ... 59
Crime, Insurgency Said PC-INP Priorities *[PHILIPPINE NEWSDAY 3 Dec]* ... 59
Four Said Killed in Negros Occidental Encounter *[DIYARYO FILIPINO 26 Nov]* ... 59
Communists Seize Davao Military Checkpoint *[MANILA BULLETIN 3 Dec]* ... 60
Seventeen People Killed in Separate Encounters *[DIYARYO FILIPINO 3 Dec]* ... 60
Policeman Killed in Ambush; Station Attacked *[Manila Radio]* ... 61
Editorial Sees Rightists As Military Scapegoats *[PHILIPPINE DAILY INQUIRER 3 Dec]* ... 62

Thailand

Department Disputes U.S. Stand on Air Talks *[Bangkok Radio]* ... 62

Burmese Border Checkpoint Closed After Blast *[Bangkok TV]* 62
Hungarian Foreign Minister Urges Investment *[THE NATION 2 Dec]* 63
Body To Study China Joining Mekong Committee *[THE NATION 1 Dec]* 63
'Payment Problems' Affect Rice Export to USSR *[BANGKOK POST 27 Nov]* 64
Chatchai on Thai Role in UN-Cambodia Actions *[MATICHON 28 Nov]* 64
Forces Kill Khmer 'Bandit' in Prachin Buri *[Bangkok TV]* 65
Chiang Mai Administration Plans Elevated System *[BANGKOK POST 3 Dec]* 65
Chiang Rai Seeks Economic Ties With Japan *[BANGKOK POST 3 Dec]* 65
Senior Officer Says Military To Avoid Politics *[THE NATION 27 Nov]* 66
Chatchai: Rift With Military Leaders Temporary *[THAI RAT 29 Nov]* 66
Preparation Ordered for Possible Snap Election *[THE NATION 2 Dec]* 67
Papers Discuss Choices Available to Chatchai *[EKKALAK 1 Dec, etc]* 68
King Asks Parties To Seek Mutual Understanding *[BANGKOK POST 3 Dec]* 68
King Addresses Royal Guards at Annual Ceremony *[Bangkok TV]* 69
Supreme Commander, Officers Call on Chatchai *[Bangkok Radio]* 69
Problems of New Chatchai Initiatives Viewed *[THE NATION 3 Dec]* 69

Vietnam

Council of State Discusses National Assembly *[Hanoi International]* 70
National Assembly Session 5-21 Dec *[Hanoi Radio]* 70
VNA Clarifies Hanoi's Position on Cambodia *[Hanoi Radio]* 71
Socioeconomic Development Strategy Adopted *[VNA]* 71
'Socialist Model' Blamed *[KYODO]* 72
Magazine Notes U.S. Investments Despite Ban *[AFP]* 72

AUSTRALASIA

Australia

Faction Leaders Express Concern Over Gulf *[Melbourne International]* 73

Fiji

Opposition: Suspended Sentences 'Scandalous' *[AFP]* 73

New Zealand

Two Air Force Planes To Join Forces in Gulf *[Melbourne International]* 73
Prime Minister Bolger Elaborates *[AFP]* 73

Papua New Guinea

Irian Jayan Rebels Release Hostages 30 Nov *[AFP]* 74

Western Samoa

Debate Continues on Universal Suffrage Bill *[AFP]* 74

Yeutter: Japan Stand on Rice Issue 'Unacceptable'

OW0312021590 Tokyo KYODO in English 2347 GMT 2 Dec 90

[By Mitsuru Mabuchi]

[Text] Brussels, Dec. 2 KYODO—U.S. Secretary of Agriculture Clayton Yeutter made a new request for Japan to open its rice market on Sunday, telling his Japanese counterpart Tomio Yamamoto that the Uruguay Round cannot succeed unless there is a concession from Tokyo on the issue.

Yeutter, meeting Yamamoto on the eve of talks in Brussels aimed at concluding the four-year trade round, called Japan's stance on the rice issue "unacceptable," Japanese officials told reporters. He said most countries have import restrictions on agricultural products, including the U.S.

For developing countries such as Brazil and Argentina, obtaining some benefits in farm trade and textiles are a prerequisite for remaining in the trade round, being conducted under the auspices of the General Agreement on Tariffs and Trade (GATT).

If all these countries claim the products they protect should be exempted from the overall efforts to improve market access, for whatever reasons, that would thwart the entire trade talks, Yeutter was quoted as saying.

Yamamoto countered that there are various ways to improve market access, officials of his ministry said. He emphasized that the rice issue is politically difficult for Japan, adding that he is putting his "political life" on line in defending Japan's position on the issue, the officials said.

Quoting statistics showing Japan's huge farm imports and its low rate of self-sufficiency in food, Yamamoto said Japan has done much in the direction of liberalizing its farm market. He cited the decision to scrap import curbs on beef and oranges. He added that the U.S. too has many problems with its own farm market.

Yeutter, while acknowledging these points, nevertheless stressed that the issue should be considered from the overall picture of U.S.-Japan trade, where a huge imbalance exists in favor of Japan. He argued that the principles of free trade should be given more attention.

Everybody is hiding behind the backs of other people on this issue, and nobody will take the lead, but that kind of attitude will lead to failure of the Uruguay Round, the officials quoted him as saying. Yeutter also said there is no sign of a breakthrough in the impasse between the U.S. and the EC over lowering barriers to farm trade. Unless the EC changes its stance, there can be no agreement whatever on farm trade, Yeutter reportedly said.

Canada, Italy See GATT Uruguay Round Impasse

OW0312021690 Tokyo KYODO in English 0116 GMT 3 Dec 90

[By Mitsuru Mabuchi]

[Text] Brussels, Dec. 2 KYODO—Canadian Trade Minister John Crosbie told his Japanese counterpart Kabun Muto on Sunday that he expects no dramatic breakthrough in the impasse over farm trade which is threatening to scupper the Uruguay Round, a Japanese official said.

In a two-hour meeting on the eve of talks between 107 nations aimed at concluding the trade round for freer world trade, Crosbie stressed it is unwise to focus efforts too much on the farm issue, while neglecting the other 14 areas covered by the round.

The official quoted Crosbie as saying that proceeding with negotiations in nonfarm fields and making clear the potential benefits of a successful round could bring about a will to help give the European Community (EC) the impetus to make concessions on the issue of cutting farm subsidies.

The four-year trade round, under the auspices of the General Agreement on Tariffs and Trade (GATT), is on the brink of breakdown due to the stalemate over the issue of reducing trade-distorting practices of governmental support to farmers and restrictions on farm imports.

Crosbie said Canada wants to see a "definite and specific" commitment by the EC to cut export subsidies, according to the Japanese official, Hidehiro Konno, director of the International Ecoromic Affairs Division in the Ministry of International Trade and Industry (MITI). He also indicated that Canada would lower tariffs on photographic films, rubber products, and machinery—important items for Japan—if the Tokyo government would improve market access for forestry and fisheries products, on which Canada puts priority, the official said.

Muto said only that such issues must be handled by the farm minister.

The two trade ministers agreed on the importance of discouraging unilateral action—such as the Section 301 provision in U.S. Trade Law which provides for retaliatory action against unfair traders—through strengthening the GATT dispute settlement mechanism, the official said.

Meanwhile, in an earlier meeting with Foreign Minister Taro Nakayama, Italian Trade Minister Renato Ruggiero predicted that there will not be any movement on Tuesday on the farm issue.

The GATT negotiators will have to wait until Wednesday to see any significant changes in the situation, he was quoted as saying.

Japan

Iraqi Acceptance of Bush Offer on Talks Welcomed

OW0112161390 Tokyo KYODO in English 1422 GMT 1 Dec 90

[Text] Tokyo, Dec. 1 KYODO—Japan welcomes Iraq's announcement that it is accepting U.S. President George Bush's offer for direct talks to settle the Persian Gulf crisis, Japanese Foreign Ministry sources said Saturday. The sources said Japan hopes direct talks between the United States and Iraq would encourage a peaceful resolution of the four-month long crisis. Japan also hopes Iraq would accept a United Nations Security Council resolution calling for withdrawal of its troops from Kuwait, they said.

Earlier on Saturday, the official IRAQI NEWS AGENCY reported that Iraq has accepted Bush's idea of inviting Iraqi Foreign Minister Tariq 'Aziz to Washington and sending U.S. Secretary of State James Baker to Baghdad in December.

Senior Official Sent to Iraq for Hostages' Talks

OW0312105790 Tokyo KYODO in English 0947 GMT 3 Dec 90

[Text] Tokyo, Dec. 3 KYODO—The Foreign Ministry has sent a senior official to Iraq to discuss ways of securing the release of Japanese citizens held hostage there and in occupied Kuwait, ministry officials said Monday.

Kunisada Kume, director general of the ministry's Consular and Migration Affairs Department, left for Saudi Arabia last Saturday and plans to meet in Baghdad on Wednesday with Japanese hostages and embassy officials. Kume may also hold talks with Iraqi Foreign Ministry officials during which he is expected to demand proper treatment and the release of all detained foreign nationals, the officials said.

A total of 114 Japanese nationals are being held as "human-shields" in Iraq and Kuwait, while another 119 have been barred from leaving Iraq, they added.

Iraq 'Positive' Toward Gulf Conference Proposal

OW0112001390 Tokyo KYODO in English 1456 GMT 30 Nov 90

[Text] Tokyo, Nov. 30 KYODO—The Socialist Parties of Japan and France have agreed to call for the convening of an international peace conference in Tokyo in late January in a bid to bring peace to the Persian Gulf, the Japan Socialist Party (JSP) said Friday.

Issei Inoue, director of the JSP's International Bureau, told reporters that his party has proposed the plan to Iraq.

Iraq's First Deputy Prime Minister Taha Yasin Ramadan, with whom Inoue met in Baghdad on November 27, was positive toward the proposal, Inoue said. He quoted Ramadan as saying Iraq is very much interested in attending such a conference.

Inoue, who returned home earlier in the day from an 11-day visit to France and Iraq which began November 20, said he met French Socialist Party First Secretary Pierre Mauroy in Paris on November 21 and agreed to pursue the possibility of holding a peace conference in Tokyo.

Inoue said the JSP will ask China, India, Thailand, Iran, the Palestine Liberation Organization, the Soviet Union, Germany, France, and Britain to attend the session.

Inoue quoted Mauroy as saying that only Japan would be able to host such a peace conference. He did not elaborate.

Diplomatic sources noted that Japan had maintained friendly ties with Iraq until before Iraq's August 2 invasion of Kuwait and has not sent troops to the Gulf region.

On Thursday, the 15-member U.N. Security Council passed a resolution authorizing the use of force against Iraq unless it withdraws from Kuwait by January 15.

Inoue hinted at a possible visit by JSP Chairwoman Takako Doi to Iraq, saying Baghdad has invited her. Ramadan implied that a Doi visit to Baghdad would lead to the release of more Japanese hostages being held in Iraq, Inoue said. Inoue quoted Ramadan as saying Doi's visit would produce "major progress" in allowing the hostages out of the country.

JSP Secretary General Tsuruo Yamaguchi told the same news conference that the largest opposition party will decide before long whether Doi will make such a visit.

Ramadan told Inoue that the Japanese Government has been hostile to Iraq since August 2, adding Tokyo is behaving toward Iraq as if it were Japan's implacable old enemy. Ramadan was also quoted as saying that now is the time for Japan and Iraq to maintain friendly relations.

Families of Hostages Depart for Iraq 30 Nov

OW3011132190 Tokyo KYODO in English 1009 GMT 30 Nov 90

[Text] Narita, Chiba Pref., Nov. 30 KYODO—Forty-six family members of Japanese hostages detained by Iraqi authorities left Tokyo on Friday for Baghdad in the hope that the visit will result in the release of their relatives.

Antonio Inoki, a professional wrestler and Diet member, is accompanying them on a chartered Turkish airlines plane.

The Japanese will arrive in Baghdad on Saturday via the Jordanian capital of Amman, to be reunited with their relatives held by the Iraqi Government as "human shields" to deter possible attack by U.S. and other foreign amassed in the Persian Gulf. The visitors will return home December 5.

Inoki, a member of the House of Councillors, said he will hold the "festival of peace" in Baghdad on Sunday and Monday, with some 50,000 spectators gathering. The festival will feature wrestling matches, rock concerts, soccer games, and karate performances.

Prior to departure from New Tokyo International Airport at Narita, east of Tokyo, Inoki said at a press conference that he wants to make the festival a success, and to appeal to the world for a peaceful settlement of the Gulf crisis.

A total of 114 Japanese nationals remain held hostage in Iraq and Iraq-occupied Kuwait.

Arrive in Baghdad

OW0112175890 Tokyo KYODO in English 1509 GMT 1 Dec 90

[Text] Baghdad, Dec. 1 KYODO—Forty-six family members of Japanese hostages detained by Iraqi authorities arrived here from Tokyo via Amman Saturday, and some of them reunited with their relatives at the Baghdad airport. Antonio Inoki, a professional wrestler and Diet member, was accompanying them.

The visitors are to stay in Baghdad until December 5 in the hope that the visit will result in the release of their relatives.

The Iraqi Government has held foreigners as "human shields" to deter possible attacks by U.S. and other foreign forces amassed in the Persian Gulf.

A total of 114 Japanese nationals are being held hostage in Iraq and Iraq-occupied Kuwait.

Iraq To Allow Visits

OW0212045290 Tokyo KYODO in English 0429 GMT 2 Dec 90

[Text] Baghdad, Dec. 2 KYODO—Iraq said late Saturday 39 Japanese who arrived in the country earlier in the day will shortly be able to see their relatives detained as hostages at strategically important facilities across Iraq and Iraqi-occupied Kuwait.

The 39 Japanese are among a group of 46 who arrived in Baghdad via Amman from Tokyo to meet their families held by the Iraqi Government as "human shields" to deter possible attacks by U.S. and other foreign forces amassed in the Persian Gulf.

A high-ranking Iraqi Olympic Committee official made the announcement when speaking to reporters with Antonio Inoki, a professional Japanese wrestler and Diet member, about a two-day Japanese-Iraqi "festival of peace" to open Sunday. Another Iraqi official said the 39 family members will be able to see the hostages within a few days. The remaining seven in the group of 46 met their relatives who are not hostages but are not permitted to leave Iraq on Saturday.

Meanwhile, Inoki is staging the festival on Sunday and Monday in cooperation with the Iraqi Government. The festival features wrestling matches, rock concerts, soccer games, and karate performances.

Kaifu Says Bush's Expected Feb Visit 'Delayed'

OW0112042790 Tokyo KYODO in English 0416 GMT 1 Dec 90

[Text] Tokyo, Dec. 1 KYODO—Prime Minister Toshiki Kaifu said Saturday that U.S. President George Bush's expected February visit to Japan will be delayed because of the situation in the Middle East. Kaifu made the comment to reporters at the prime minister's official residence.

It is time for Japan and the United States to consult on a concrete schedule for Bush's trip, if he plans to visit Japan in February as scheduled, Foreign Ministry officials said.

The United States has not contacted Japan about the schedule of Bush's trip, and the postponement of the visit is likely due to mounting tension in the Persian Gulf, they said.

U.S. Navy Drops Plan To Send Japanese to Gulf

OW0112070190 Tokyo KYODO in English 0652 GMT 1 Dec 90

[Text] Yokohama, Dec. 1 KYODO—The U.S. Navy has dropped its controversial proposal to send Japanese technicians working at its Yokosuka base to the Persian Gulf for a meeting on warship repairs, Japanese officials said Saturday.

U.S. naval forces stationed at the base south of Tokyo have asked nine Japanese engineers working on electronic fixtures to go to Bahrain for some 10 days from December 8 to discuss a repair program for warship Blue Ridge of the U.S. Seventh Fleet, which is now operating in the Gulf area against Iraq.

The U.S. Navy informed the Kanagawa Prefectural Government officials in charge of supervising labor conditions of Yokosuka's Japanese staff, the Foreign Ministry, and other related Japanese agencies of the cancelled trip, the officials said. They said the U.S. side will send American staff to the Bahrain meeting instead.

The Kanagawa officials had asked the U.S. forces and Japan's Defense Facilities Administration Agency to give up the plan.

Kanagawa Prefecture Governor Kazuji Nagasu told a press conference Tuesday that he cannot accept the idea, as there is a possibility that Japanese staff might be brought to the battlefront in the Gulf.

The labor union comprising Japanese workers for the U.S. forces in Japan has also strongly opposed the

proposal, with an official saying "Any dangerous dispatch to the Middle East is absolutely impermissible." The union had planned a sit-in or strike to protest the U.S. offer.

Overseas work for Japanese employees at U.S. bases has been limited to study, meetings, and technical training.

Japanese Government officials have said this U.S. request could lead to operative work in the Gulf region.

In 1965 the Japan-based U.S. forces' authorities attempted to send a U.S. vessel with Okinawa-based Japanese staff to Vietnam, but the plan also failed due to opposition from the Japanese side, Japanese defense sources said.

Kadena Officials Object to KC-135 Transfer

OW0112191790 Naha RYUKYU SHIMPO in Japanese 1 Dec 90 Morning Edition p 2

[Text] Meisuke Kinjo, deputy head of Kadena ward, and representatives of the Kadena Township Assembly led by Chairman Seitoku Koja called at the Naha Defense Facilities Administration Bureau [DFAB] on the afternoon of 30 November, and submitted a "written opinion opposing the transfer of KC-135 air tankers to Kadena Air Base." This action follows reports that, with the deactivation of the 43d Bomber Wing in Anderson Air Base on Guam, six KC-135 air tankers of the wing together with 50 members of the 65th Strategic Squadron will be transferred to Kadena Air Base.

Takayoshi Kawai, head of the Facilities Division of DFAB, confirmed these reports. While insisting he cannot talk about matters concerning operations of U.S. forces, he added: "I will ask the U.S. forces to give special consideration to the problem of noise."

Government Spokesman Welcomes Kohl Victory

OW0312043490 Tokyo KYODO in English 0348 GMT 3 Dec 90

[Text] Tokyo, Dec. 3 KYODO—Japan welcomed Monday the victory of German Chancellor Helmut Kohl's center-right coalition in the first election for an all-German parliament in nearly 60 years, saying the results signal clear support for Kohl's unification policy.

Chief Cabinet Secretary Misoji Sakamoto told a news conference that he expects continuity of Germany's foreign policy. "We will make efforts to further dialogue and cooperation between Japan and Germany," Sakamoto said in a statement.

Reconstruction of former East Germany was one of the themes of Kohl's first national campaign following the October 3 unification.

The last all-German election was held in 1932.

PRC Refuses To Repatriate 'Boat People'

OW3011140090 Tokyo KYODO in English 1241 GMT 30 Nov 90

[Text] Beijing, Nov. 30 KYODO—China has refused to accept the repatriation of more than 1,000 boat people currently detained in Japan, Japanese officials said Friday.

After four days of talks here through Friday, Japanese and Chinese officials failed to reach agreement on the repatriation of the Chinese boat people, officials said.

From May 1989 to last March, a total of 2,844 Chinese posing as Vietnamese refugees have arrived on the western Japanese coast in a total of 23 boats. Of the total, 1,788 have been repatriated to China, the officials said.

During the negotiations, Japan submitted a list of 1,041 Chinese designated as economically motivated illegal entrants and urged China to accept them.

The Chinese side rejected the request, arguing that some 60 percent were Vietnamese who left the country just before the breakout of the 1979 Sino-Vietnamese border war. The two sides agreed to hold more negotiations by the end of this year.

Chinese Premier Li Peng told Masayoshi Ito, chairman of the Japan-China Friendship Parliamentarian League, at a meeting in September last year that Beijing is ready to accept illegal Chinese refugees to Japan.

Japan does not grant refugee status to foreigners that the government considers to have come solely for economic reasons.

In Tokyo, a Japanese Foreign Ministry official said the main point of disagreement between the Chinese and Japanese teams in Beijing was over the status of some of the Vietnamese refugees now in Japan.

"It is a fact that they have stayed in China and the Chinese side had accepted them as Chinese at one time," said the official, who spoke on condition of anonymity. "Then they were dissatisfied with their situation there and wanted to come over here," he said. "We consider that under international law once they have accepted them as Chinese, they should be considered as Chinese," the official said.

USSR To Receive Help in Distribution of Food

OW0312113990 Tokyo KYODO in English 0842 GMT 3 Dec 90

[Text] Tokyo, Dec. 3 KYODO—Japan will provide distribution knowhow to the Soviet Union to help it get food to consumers, officials at the Ministry of Transport said Monday.

A group of government officials and private transport company executives will visit the Soviet Union on January 13 for a week to observe railways and warehouses and to discuss ways of improving distribution.

The mission will be headed by Kozo Yoshida, director general of the ministry's Cargo Transport and Distribution Bureau, and will include executives of East Japan Railway Co., Nippon Express Co, Japan Airlines Co. and the Japan Warehousing Association.

Despite a record 240 million ton grain harvest this year, the Soviet Union has a food shortage due to a lack of warehouses and the absence of direct railway routes from the farms to major cities. Supplies of vegetables have been left to rot at stations because they could not be transported to the cities.

Japan's decision is in line with the government's stance of cooperation with perestroyka, officials said, and is in response to a request by the Soviet Union.

The move is expected to open the way for private sector cooperation ahead of Soviet President Mikhail Gorbachev's visit to Japan next spring.

The government as a rule provides only nonfinancial aid to the Soviet Union pending a solution to the two countries' dispute over the ownership of four islands off the northernmost main island of Hokkaido.

Proviso Banning Travel to DPRK To Be Deleted

OW0112004590 Tokyo KYODO in English 1502 GMT 30 Nov 90

[Text] Tokyo, Dec. 1 KYODO—Japan announced Saturday it will delete April 1 next year a provision in Japanese passports which virtually ban its citizens from travel to North Korea.

The government announcement in Saturday's OFFICIAL GOVERNMENT GAZETTE followed a joint declaration issued late September by Japan's ruling Liberal Democratic Party, the No. 1 opposition Japan Socialist Party, and the Korean Workers' Party which governs North Korea.

The declaration urged the Japanese Government to remove "entries made in Japanese passports with regard to the Democratic People's Republic of Korea (North Korea)."

The Japanese and North Korean Governments initiated preliminary talks aimed at normalizing bilateral relations in early November in accord with pledges in the declaration.

Under the current passport law, Japanese citizens must get special permission from the Foreign Ministry when visiting North Korea, the only country to which such a ban applies.

The ministry will adopt simplified legal procedures between January 1 and March 31 next year for the issue of such travel permits prior to removal of the provision, officials said.

Envoy: Ties With DPRK Hinge on Nuclear Accord

OW0112143190 Tokyo KYODO in English 1309 GMT 1 Dec 90

[Text] Tokyo, Dec. 1 KYODO—Normalized ties between Japan and North Korea will not be possible as long as Pyongyang continues its refusal to dispel allegations that it aims to produce weapons of mass destruction, Japanese Ambassador to South Korea Kenichi Yanagi said here Saturday.

"As a responsible member of the international community, that simply cannot be done," said Yanagi, who is temporarily back in Japan to attend a meeting of Japanese envoys to 18 Asia-Pacific countries.

Yanagi, in an interview, said full normalization of ties between the two countries must be preceded by North Korea's signing of a nuclear safeguards agreement with the International Atomic Energy Agency (IAEA).

North Korea in 1985 ratified the 1970 treaty on the nonproliferation of nuclear weapons, but has since not allowed mandatory IAEA inspection of its nuclear facilities to ensure they are being utilized only for peaceful purposes.

Pyongyang has said all U.S. nuclear weapons allegedly stockpiled in South Korea must first be removed. "Japan-North Korean negotiations are not simply a matter concerning Japan and North Korea," Yanagi said, alluding to the need for Japan to consult closely throughout the process with South Korea and the United States.

Yanagi said that while Seoul is pleased to see the realization of a dialogue between Japan and North Korea, "they want it to proceed in a way that promotes peace and stability on the Korean peninsula, facilitates North-South dialogue, and helps achieve a peaceful reunification." He said Pyongyang's refusal to allow outside inspection of its nuclear facilities is not only of concern to Japan, but to South Korea and the U.S. as well.

Japan and North Korea initiated preliminary talks aimed at establishing diplomatic relations in Beijing in early November. The third round of preliminary talks is set for mid-December in Beijing, while formal negotiations are tipped to begin in Pyongyang in January.

Kaifu Reaffirms Korean Fingerprinting Policy

OW3011130890 Tokyo KYODO in English 1141 GMT 30 Nov 90

[Text] Tokyo, Nov. 30 KYODO—Prime Minister Toshiki Kaifu on Friday reaffirmed the government

position on continued fingerprinting of Korean residents of Japan until an alternative means of identification is developed, officials said.

Kaifu made the comment during a 30-minute meeting with Koshiro Ishida, leader of Japan's second largest opposition party Komeito, who pointed to the importance of considering strong Korean sentiment against the fingerprinting requirements, Komeito officials said.

The prime minister told Ishida that a new method of identification is currently under development by the Justice Ministry and that Japan as a law-governed state will continue the current practice until the new method is ready.

Earlier this week, seven Japanese cabinet ministers met their South Korean counterparts in Seoul and promised to abandon the fingerprinting requirement for Koreans after a new identification method is developed.

There is a large ethnic community of some 680,000 Koreans in Japan, where all foreign residents are required to register their fingerprints. Many of these resident Koreans are persons forcibly brought here as laborers during Japan's colonial rule of Korea from 1910 to 1945, or their descendants.

Ishida paid the visit to Kaifu at his official residence three days before he is to embark on a four-day visit to South Korea on Monday for talks with South Korean President No Tae-u, and ruling and opposition party leaders.

Komeito Delegation Departs for Seoul 3 Dec

OW0312083390 Tokyo KYODO in English 0644 GMT 3 Dec 90

[Text] Tokyo, Dec. 3 KYODO—A high-powered delegation of Japan's second largest opposition party Komeito left for Seoul on Monday for talks with South Korean President No Tae-u and other top government officials, party officials said.

During its four-day visit to South Korea, the delegation led by Chairman Koshiro Ishida will discuss bilateral and international issues with South Korean officials.

The talks will include the proposed exemption of fingerprinting requirements for Koreans in Japan to cover first and second-generation residents.

Spokesman Denies Emperor To Visit ROK in May

OW0312055390 Tokyo KYODO in English 0455 GMT 3 Dec 90

[Text] Tokyo, Dec. 3 KYODO—The precarious situation in the Persian Gulf could disrupt Prime Minister Toshiki Kaifu's plans to travel to South Korea and Southeast Asia in January, the top government spokesman said Monday.

"At the present time there is no change in plans for January's (trip), but we will continue monitoring the situation," Chief Cabinet Secretary Misoji Sakamoto told reporters. "We will make a judgment after it is clear how the situation develops," he said. He was referring to the U.N. Security Council resolution allowing the use of force against Iraq if it does not withdraw from Kuwait by January 15.

Sakamoto said the government is not basing its plans on hypothetical scenarios that may develop in the latter half of January.

Kaifu is tentatively scheduled to depart for a three-day trip to South Korea on January 9, and then spend a week in Thailand, Malaysia and Singapore. Japan is expected to use the trip to gain Seoul's understanding of plans to negotiate the establishment of diplomatic relations with North Korea.

Sakamoto denied news reports that the government is considering a trip by Emperor Akihito to South Korea and Southeast Asia next May. "This is not being concretely discussed," he told the regularly scheduled news conference.

South Korean President No Tae-u extended an invitation to Emperor Akihito to visit during a state visit to Japan last May.

The visit would be a first by a Japanese emperor since Korea was liberated from Japanese colonial rule following Tokyo's defeat in World War II.

Emperor Akihito ascended the Chrysanthemum Throne in January 1989, upon the death of his father, Emperor Hirohito, known posthumously as Emperor Showa.

The enthronement ceremony was held November 12.

'Unseasonal' Typhoon Disrupts Air, Rail Traffic

OW3011131290 Tokyo KYODO in English 1234 GMT 30 Nov 90

[Text] Tokyo, Nov. 30 KYODO—Strong winds and heavy rain from an unseasonal typhoon disrupted air and rail traffic throughout central Japan on Friday before fading in strength and limping off to the Sea of Japan, the Meteorological Agency said.

The unseasonably late Typhoon No. 28 landed earlier Friday afternoon on the Kii Peninsula in western Japan and marched across the main island of Honshu, before being downgraded to an extra tropical low pressure system by the agency.

The record sixth typhoon to hit Japan this year is also seasonally the latest to arrive in postwar history. In 1948, Typhoon Agnes, the 34th of the season, hit the Kii Peninsula on November 19.

Stiff winds Friday from the typhoon, measuring 20 meters per second, forced Shinkansen Express Trains to

reduce speeds along a 170-kilometer run between Mishima, Shizuoka Prefecture, and Mikawaanjo, Aichi Prefecture. Japan Railway Tokai officials said the disruptions to their train schedules were expected to continue throughout the day.

Meanwhile, 169 flights into and out of central Japanese airports were canceled because of the typhoon, stranding some 11,000 domestic travelers.

In Wakayama, where the typhoon landed around 2 p.m., some elementary and middle schools canceled classes shortly past noon while shopping districts, decorated for the holidays, were largely deserted.

Local mandarin orange farmers, harvesting the crop for the new year holidays, were forced out of their orchards, saying this was the first time the harvest was halted by a typhoon.

The Meteorological Agency warned of heavy rains in wide areas across the nation. The typhoon brought rainfall exceeding 450 millimeters in western and central Japan.

The typhoon, with a central barometric reading of 975 millibars, moved at a speed of 40 kilometers per hour with a wind velocity of up to 30 meters per second across Honshu and was expected to cross into the Sea of Japan near Akita around 3 a.m. Saturday, the agency said.

During the height of the storm, winds were raging at over 25 meters per second within a radius of 80 kilometers of the typhoon center and at over 15 meters per second within a radius of 800 kilometers of the center, the agency said.

Police Suspect 'Radicals' in Kyoto Fires

OW0112031790 Tokyo KYODO in English 0253 GMT 1 Dec 90

[Text] Kyoto, Dec. 1 KYODO—Police suspect radicals were responsible for a series of fires here early Saturday morning, in an apparent attempt to disrupt Emperor Akihito's visit to Kyoto. There were no reports of injuries.

Policemen found smoke rising near a bank at 6 A.M. in the city's central business district, but there was no damage.

Forty minutes later a fire broke out on the third floor of Kintetsu Department Store and some bedclothes were destroyed, police said.

A fire broke out on the fourth floor of the Kyoto Tower Building across Japan Railways Kyoto Station at 7 A.M., causing only minor damage, they said. Cinders were found in the observatory of the building 30 minutes later, police said. Police found an automatic ignition device at the observatory Friday night.

Emperor Akihito and Empress Michiko were due to arrive here later Saturday to visit imperial mausoleums in the ancient capitals of Kyoto and Nara to report his accession to the throne. The royal couple will also invite 800 persons to a tea party in Kyoto on Monday.

Radical leftists opposed to the imperial system have launched a series of attacks against police dormitories, railway stations, and other facilities.

The Chukaku-ha (Middle-Core Faction) claimed responsibility for the bombing of a concrete wall on Monday on the Tokaido Shinkansen Line in Yokohama, hours before Emperor Akihito was to use the line to visit a shrine at Ise in central Japan.

Government Studying Revision of Defense Program

OW0212063090 Tokyo KYODO in English 0606 GMT 2 Dec 90

[Text] Tokyo, Dec. 2 KYODO—Japan will keep total outlay in its next five-year midterm defense buildup plan below 23.4 trillion yen, up an average 4 percent from the current five-year midterm plan ending next March, government sources said Sunday.

The government also plans to review the next midterm defense buildup plan three years afterwards to scale it down in view of a growing mood of international detente, the sources said. The sources also said the government is studying a possible revision of the national defense program outline decided in 1976.

The government's work on the next midterm defense buildup plan is expected to focus on the introduction of an airborne warning and command system (AWACS), an Aegis destroyer, and other equipment demanded by the Defense Agency, the sources said.

In a meeting of the Security Council chaired by Prime Minister Toshiki Kaifu on November 22, Finance Minister Ryutaro Hashimoto said Japan's defense policy is facing a turning point as the targets in the 1976 national defense program outline are attained in the current fiscal year ending next march and a Cold War is over. Hashimoto said growth in the next midterm defense buildup plan should be held down compared with an average 5.4 percent rise in the current five-year defense buildup plan over the previous one.

When the Security Council met last Thursday, the council mostly agreed to build up logistic support.

The Defense Agency is calling for a rise of at least 4 per cent in the midterm defense buildup plan but the rise is expected to be pegged at the 3 percent level, the sources said.

Defense Budget Reported

OW0112183090 Tokyo KYODO in English 1213 GMT 1 Dec 90

[Text] Tokyo, Dec. 1 KYODO—Japan's defense budget for fiscal 1991 will be set at around 4,380 billion yen, up

around 5.5 percent over the current fiscal year, Finance Ministry sources said Saturday.

The amount is smaller than the 4,402.1 billion yen requested by the Defense Agency for the year beginning next April 1. The agency request represents an increase of 5.8 percent from the fiscal 1990 budget.

The Finance Ministry plans to hold down defense spending in fiscal 1991 because of easing East-West tensions, the sources said.

The ministry has proposed a cut in expenditures for acquisition of frontline equipment and urged the Defense Agency to try to hold down the growth of payments for procured equipment to be carried over from this year's 6.0 percent level, they said.

The agency, citing growing personnel and fuel costs, wants the Finance Ministry to set aside an appropriation close to the requested amount.

The surge in crude oil prices is expected to boost fuel costs by 40-50 percent and personnel costs by about 30 billion yen. In contrast, the recent appreciation in the value of the Japanese yen is expected to help reduce the cost of overseas procurement by about 25 billion yen.

The defense budget rose 6.1 percent to 4,159.3 billion yen in the current fiscal year, topping 4 trillion yen for the first time.

The Finance Ministry is expected to unveil its fiscal 1991 budget plan around December 24. The cabinet is expected to adopt the budget around December 28 after negotiations among government officials and leaders of the ruling Liberal Democratic Party.

Envoy Says Defense Buildup 'Should Continue'

OW0112142690 Tokyo KYODO in English 1142 GMT 1 Dec 90

[Text] Tokyo, Dec. 1 KYODO—Ryohei Murata, Japan's ambassador to the United States, said here Saturday that Japan should continue to increase its defense capability even if other countries in the surrounding region decrease their defense budgets.

"But that has nothing to do with Japan becoming a military power," Murata said. He said Japan must continue its defense buildup until it can be viewed as an effective deterrent.

Murata is back in Japan to attend a meeting of Japanese envoys to 18 Asia-Pacific nations.

Japan's defense requirements must also take into account the balance of forces between the Soviet Union, the United States, and China, he said.

The former vice foreign minister said Japan could only begin reconsidering its buildup program when credible defensive capability is achieved.

Meanwhile, Murata warned of a potential threat to Japan of North Korea's nuclear program as the country has refused to accept mandatory inspections of its facilities by the International Atomic Energy Agency (IAEA).

Murata said that even if tension on the Korean peninsula were relieved and Japan achieved the return from the Soviet Union of four contested islands, Japan would continue to host U.S. bases on its soil, though there would probably be a reduced presence.

Expert Warns Against Liberalizing Rice Imports

OW3011140190 Tokyo KYODO in English 1312 GMT 30 Nov 90

[By Hironori Miyoshi]

[Text] Tokyo, Nov. 30 KYODO—Close to 70 percent of Japan's rice output would eventually be replaced by imports, dealing a ruinous blow to Japanese rice farmers, mainly in Hokkaido and western Japan, if Japan were to agree now to full liberalization of rice imports within the next 10 to 15 years, a leading agriculture expert said Friday.

The warning was sounded by Masaru Morishima, professor of agricultural economy at the University of Tokyo, in an interview with KYODO NEWS SERVICE. Morishima heads a study group of 10 scholars on rice policies which acts as a think tank for the Central Union of Agricultural Cooperatives.

The professor reasoned that about 70 percent of the nation's output of rice would lose out to foreign rice in a battle fought in terms of cost- and quality-competitiveness. He said the likely suppliers of rice to Japan in the case of liberalization would include the U.S. State of California, Thailand, Australia, Vietnam, Italy, and Spain.

In fact, these potential suppliers currently have no such large surplus of high-quality, yet relatively low-cost rice to export to Japan, Morishima said. However, they could have it 10 to 15 years later, he said.

The problem lies mainly in the area of quality. Japanese consumers have a highly developed sense of rice quality and tastiness.

Morishima said Japan bans by law the export of seed rice. However, he said that Thailand is currently producing limited amounts of a so-called "Thai Hikari" brand of rice which closely resembles Japan's high-grade "Koshihikari" brand in quality and taste but is comparatively low-priced. Spain also has a rice named "Spain Komachi," which is close to Japan's "Akita Komachi."

Prof. Morishima said growers of high-grade rice, mainly in the Hokuriku (Japan Sea coast of central Japan) and Tohoku (northeastern Japan) districts, would probably survive import liberalization. But rice farmers chiefly in Hokkaido and western Japan would inevitably be forced to cut their output by 75 to 100 percent, he said.

The professor said it is virtually impossible for these farmers to grow the highest quality rice because of climatic and technological conditions. These findings are part of those from a study conducted since August by the group on the effects of rice import liberalization and the possibilities of Japanese farmers cutting their rice production costs, Morishima said.

In the event of import decontrol, Japan's rice market would decline steeply. To cope with the decline, Japanese farmers would be obliged to cut down their production costs. If Japanese farmers should face the need to halve their present production costs, only about 3 percent of them would find themselves in the black, the professor said.

In case of 100 percent import liberalization, 67 percent of Japan's current output of about 9.5 million tons—or some 6.37 million tons—would ultimately be replaced by low-priced imports, the group estimated.

If Japanese farmers are forced to lower their costs by 40 percent over the next decade, the average rice acreage of a farming business would have to be expanded to 19.3 hectares, or 21.4 times the present 0.9 hectare average. Thus, it is virtually impossible for Japanese rice farmers to make their rice cost-competitive with foreign rice, Morishima said.

Total import liberalization would also result in the loss of 1.63 million jobs—940,000 in farming itself and 690,000 in related services. The financial loss would amount to an estimated 11 trillion yen, the group estimated.

As for the effects on other countries, liberalization of Japan's rice market would have the effect of increasing the U.S. working population by 16,000 and boosting the value of rice production there by an estimated 1.2 billion dollars, according to the group's findings.

Prof. Morishima noted that the traditionally preferred Japanese rice is known as "Japonica" while most foreign rice is of the "Indica" family.

An increasing number of Japanese will choose to buy cheaper "Indica" rice as material for such non-traditional dishes as curried rice and pilaffs. The demand for such rice could eventually grow quite large, he forecast.

Ministers Depart for GATT Talks in Brussels

OW0112063190 Tokyo KYODO in English 0541 GMT 1 Dec 90

[Text] Tokyo, Dec. 1 KYODO—Kabun Muto, the minister of international trade and industry, left here on Saturday afternoon for Brussels to attend the four-day Uruguay Round of multilateral trade negotiations scheduled to begin on Monday.

Tomio Yamamoto, minister of agriculture, forestry, and fisheries, had left for the Belgian capital Saturday morning.

Enforcement of Existing Trade Regulations Pledged

OW3011135890 Tokyo KYODO in English 1249 GMT 30 Nov 90

[Text] Tokyo, Nov. 30 KYODO—Japanese and U.S. fair trade regulators ended two days of talks Friday with the Japanese pledging a set of measures aimed at stepping up enforcement of existing regulations, Japanese officials said.

The session was designed to exchange views on antitrust regulations between Japan's Fair Trade Commission [FTC] and the U.S. Justice Department's Antitrust Division and the U.S. Federal Trade Commission, they said.

The Japanese side pledged to make a decision within this year on raising penalties for violation of the antimonopoly law as agreed under the so-called Structural Impediments Initiative (SII) talks ended in June. The SII was aimed at rectifying the causes of the huge Japan-U.S. trade imbalance. The Japanese also told the U.S. delegation that the FTC will draft new guidelines on antitrust regulations such as those on import agents and consumer goods distribution by the end of next March to more tightly regulate pricing abuses, the officials said.

For their part, the U.S. officials said the United States is considering extending its antitrust rules to foreign markets, but the Japanese officials argued that the issue should be subject to multilateral negotiations, they said.

In a related development, James Rill, U.S. assistant attorney at the Justice Department, met Vice Justice Minister Yasuchika Negoro earlier in the day and pressed Japan to ponder tougher antitrust laws. Among other things, Rill urged the cost of civil lawsuits be reduced substantially in Japan to make it easier to file legal action against pricing abuses, the officials said.

Negoro reportedly stopped short of giving a clear answer, but told Rill that Tokyo understands the need for strengthening its antitrust law in order to keep abreast of international developments.

North Korea

NODONG SINMUN on UN Gulf Resolution

SK0212094290 Pyongyang KCNA in English 0821 GMT 2 Dec 90

[Text] Pyongyang December 2 (KCNA)—The United Nations Security Council November 29 adopted a resolution approving the use of all necessary means, if Iraq failed to withdraw from Kuwait by January 15 next year.

This is a virtual approval on the use of arms by the multinational forces including the U.S. forces in the Gulf region.

NODONG SINMUN today warns that the adoption of the resolution approving the use of armed forces against

Iraq under condition of sharp confrontation of ultra-modern means of war and huge armed forces massed in the Gulf region cannot but be a danger signal that a war might break out in the region.

The news analyst says:

We have consistently maintained the stand that encroachment upon the territorial integrity and sovereignty of one country by another must not be allowed in any part of the world and to anyone and that the disputes must be settled not by armed forces but by peaceful means. Hence we have opposed the intrusion into and annexation of Kuwait by Iraq and denounced the United States for scheming total military intervention, massing large armed forces, taking advantage of the Gulf crisis.

Still now we hold that Iraq should withdraw from Kuwait and the presence of the U.S. forces and their military intervention in the Gulf region must be terminated and thus the Iraq-Kuwait disputes be settled in a peaceful way within the Arab framework.

If outside forces get themselves involved in the disputes which should be resolved peacefully between the related parties or on the regional scale and they develop into a war, it will not only do grave harm to the interests of the related parties and the region but also have a serious effect on the development of the overall international situation. Should a war break out in the Gulf region, an irrevocable situation will be created in the region and it will pose a serious danger to the peace and security of the world.

Therefore, no one must take the resolution of the U.N. Security Council for a green light for the use of armed forces.

We strongly oppose the attempt to resolve any disputes by use of arms.

The Gulf crisis must be defused at an early date in a peaceful way.

'Differences' at N-S Contact Analyzed, Explained

SK0212145090 Pyongyang Domestic Service in Korean 1200 GMT 1 Dec 90

[Text] The third contact of working-level delegates for the third North-South High-Level Talks opened at 1000 at Tongilgak on our side's portion of Panmunjom. The contact was held in camera.

After the contact, our side's delegate Paek Nam-chun gave a news conference. He explained that discussion continued at the third contact of working-level delegates on the documents to be adopted at the third North-South High-Level Talks.

He said that our side, first of all, explained differences in the proposals that the two sides advanced in the first two rounds of contact of working-level delegates. He noted that the first difference was on what documents will be adopted at the third high-level talks. He said our proposal is that, if a joint statement of the North-South High-Level Talks, a North-South nonaggression declaration, and a declaration on North-South cooperation and exchange—which we presented in the first contact of working-level delegates—cannot be simultaneously adopted, then a North-South nonaggression declaration and a declaration on North-South cooperation and exchange, among them, should be chosen as documents to be adopted at the third high-level talks. He also said that the South side's proposal was to adopt only the basic agreement for improving North-South relations.

He said that the second difference is that our side proposed that both the nonaggression declaration and a declaration on North-South cooperation and exchange cooperation and exchange be adopted and that the South side proposed that only the basic agreement on improving North-South relations, which was strictly modeled after the Basic Relations Treaty between East and West Germany, which justified the existence of two states in the early 1970's, be adopted. He pointed out that the South side is trying to postpone the adoption of the nonaggression declaration to a later date, thus not adopting it as a matter of consequence.

He said that the third difference is that, in view of the content of the proposals, our side's proposal is to adopt a North-South nonaggression declaration and a declaration on North-South cooperation and exchange, which the two sides present as a common starting point toward achieving peace and peaceful reunification, and that the South side's proposal is a divisionist plan to postpone peace and reunification to the distant future and to legally fix the current division.

Delegate Paek Nam-chun pointed out that, in the third contact of working-level delegates, our side presented some problems in overcoming differences in the proposals of the two sides. He pointed out that they are, first, for both sides to make sincere efforts for reunification; second, to adopt the nonaggression declaration, which will prevent one from being swallowed by the other, in an effort to promote trust; and, third, to show trust and sincerity in dialogue.

He said that throughout the discussion on issues, our side repeatedly showed concession and magnanimity in an effort to achieve good results from the high-level talks, that the South side reversed even its own words that a nonaggression declaration should be adopted first and committed such insincere acts as insisting that a nonaggression declaration can never be adopted at the third talks.

He said that the South side came out at the third contact of working-level delegates with the basic agreement on improving North-South relations after changing some of its phrases and continuously insisted on adopting only it. He called this amendment by the South side no amendment at all. He said that the basic agreement on

improving North-South relations is an extremely dangerous, division-oriented attempt to fix and legalize the present division of our country by an agreement between the North and the South. He said that the South side presented an issue that is not on the mutually-agreed agenda of the North-South High-Level Talks and that, in this way, the South side is building an artificial obstacle for the working-level delegates.

Delegate Paek Nam-chun pointed out that, under circumstances in which, even in the third contact of working-level delegates, the South side was consistently opposed to the issue on adopting the nonaggression declaration, our side repeatedly asked the South side to make it clear as to its intention to continue the North-South High-Level Talks and whether it has the will for reunification.

He said that the fact that the South side has no will for reunification was also proved by the facts that it persistently insisted on the basic agreement on improving North-South relations in the three rounds of contact of working-level delegates and that it arrested and detained the South side's delegates who had participated in the Berlin tripartite working-level talks of the Pan-national Federation for the Reunification of the Fatherland. He pointed out that, at a time when the third high-level talks and the '90 year end traditional music festival for reunification are just around the corner, the South side has no reason to detain the delegates of the South side's headquarters for the promotion of the pan-national rally who participated in the Berlin tripartite working-level talks. He also said that this is because any Korean, irrespective of what political view and religion he has, how wealthy he is, and where he lives, has an absolute right to participate in the discussion on reunification and because the reunification issue is not the monopoly of some specific organizations or figures but a vital and pan-national issue.

Delegate Paek Nam-chun said that he sternly protested the South side's unjustifiable act as an antidialogue and antireunification act that spoils the atmosphere of the North-South dialogue. He strongly demanded that the South side immediately release the illegally arrested delegates of the South side's headquarters for the promotion of the pan-national rally. He pointed out that the South side refused to answer, saying that this is an issue not related to the talks but an internal affair.

Referring to the date of the fourth contact of working-level delegates, he said that, even though the South side was supposed to designate a date, it did not do so, that it insisted that the date be discussed at a contact of liaison officials for the North-South High-Level Talks, and that the South side left the meeting place even without designating a date for the contact of liaison officials, saying it would inform us of the date through a direct telephone line.

North Sets Conditions for 'Successful' Concert

SK0312104490 Pyongyang KCNA in English
1024 GMT 3 Dec 90

[Text] Panmunjom December 3 (KCNA)—The fourth contact between officials of the North and the South was made at the conference room of the Neutral Nations Supervisory Commission at Panmunjom today to discuss practical matters concerning the participation of the Pyongyang National Musical Troupe in the "traditional concert for reunification seeing 1990 out" due in Seoul.

They confirmed at the contact the itinerary of the troupe in Seoul, its performance and other matters.

The sides agreed upon the period of stay—five nights and six days from December 8 to 13. As regards the number of performances our side proposed one separate performance and two joint performances, three all told. But the South side insisted on two joint performances only and, in the long run, it was agreed in principle on having two joint performances and it was decided to further discuss the question of the separate performance by the Pyongyang National Musical Troupe in Seoul.

At the contact, our side received "note on the guarantee of personal safety" and handed over to the South side the list of the names of the members of the Pyongyang National Musical Troupe and the programme of art performance.

Expressing regret over the fact that the South Korean authorities arrested the South side's delegates who had participated in the Berlin tripartite working-level talks of the Pan-National Federation for Reunification (Pomminnyon) on the charge of their contact with us, our side noted that this is an act of throwing a wet blanket over the ardent desire of the whole nation for reunification and going against the reunification of the country, which laid a deliberate obstacle on the way to Seoul of the Pyongyang National Musical Troupe.

Our side strongly demanded that if the South Korean authorities truly want the successful "traditional concert for reunification seeing 1990 out", they set free at once the detained reunification figures.

Tripartite Reunification Talks Held in Berlin

SK0112111690 Pyongyang KCNA in English
1019 GMT 1 Dec 90

[Text] Pyongyang December 1 (KCNA)—Berlin tripartite working-level talks of the Pan-National Federation for Reunification ("Pomminnyon") was held from November 19 to 21.

Present there on the North side was Chon Kum-chol, vice-chairman of the North side's preparatory committee for the pan-national rally (PNR), on the South side were Executive Chairman Yi Hae-hak, Co-Chairman Cho Yong-sol and Chief Secretary Cho Song-u

of the South side's promotion headquarters of the pan-national rally and on the overseas side were General Secretary Yim Min-sik, Spokesman Hwang Sok-yong and Co-Chairman Chong Kyu-myong of Pomminnyon and from the American region were Yi Haeng-u, co-chairman of the North American promotion headquarters of the pan-national rally and Rev. Kim Hyon-hwan, director of the North American Society for National Reunification.

The tatks discussed the matter of completing the organization of the pan-national federation for reunification which was decided at the PNR held in Panmunjom in August and its immediate action program and adopted appropriate documents.

It was decided at the talks to form the Presidium of Pomminnyon, select one co-chairman each from the North and the South and overseas sides and select 12 or less vice-chairmen each from the North and the South and overseas sides.

It was also decided to organize the Central Committee as a deliberative body and select 40 members each from the North and the South and overseas sides, 120 all told.

It was decided at the tripartite talks to set up a joint Secetariat of Pomminnyon, designate Berlin for its location until the Presidium decides it and hold the first Presidium meeting in February 1991.

It was decided at the tripartite talks, as an immediate action program of Pomminnyon, to hold the second pan-national rally in Seoul with August 15, 1991, as an occasion and open in Seoul an international meeting for peace and denuclearisation of Asia and the Korean peninsula.

Besides, discussion was made at the tripartite working-level talks on Pomminnyon undertaking various work such as composing and operating a cultural propaganda squad and realizing joint meetings and contacts in each sector, namely workers, peasants, women, pressmen, writers and students.

A joint declaration of Berlin tripartite working-level talks and a letter to the U.N. secretary general were adopted at the talks.

Letter Sent to UN Chief

SK0112112890 Pyongyang KCNA in English
1026 GMT 1 Dec 90

[Text] Pyongyang December 1 (KCNA)—A letter to U.N. Secretary General Javier Perez de Cuellar was adopted at the Berlin tripartite working-level talks of the Pan-National Federation for Reunification (Pomminnyon).

The letter read :

The delegation of Koreans in the North, the South and overseas which have come to Berlin to have tripartite working-level talks for the formation of a pan-national reunification movement organization for peace and reunification of the country are sending this letter to you in the name of the 70 million Korean people, upon the successful conclusion of the talks.

The world has dispelled the current of the cold war and is now heading for peace, reconciliation and the reunification of divided countries. This notwithstanding, Korea remains the only divided nation on the globe, subjected to the danger of war.

The separatist forces at home and abroad, contrary to the trend of the world history and the desire of the 70 million Korean people, are working for the separate entry of the North and the South into the United Nations in a bid to legalize and perpetuate the division in their own interests.

If the North and the South join the United Nations divided, the split of Korea cannot but be legalized internationally. And it will justify the unreasonable interference of outside forces in the reunification question, an internal affair of our nation. If the United Nations connives at or helps the perpetuation of the division through the separate entry of the North and the South into the United Nations, going against the Korean people's unanimous will for reunification, it will be a grave crime against them.

Respecting the function and role of the United Nations, a worldwide mediator of regional disputes, we would like to remind you of the withdrawal of the foreign troops called U.N. Forces present on the Korean peninsula.

At the same time, we hope that the United Nations, in view of the spirit of the guarantee of all countries' sovereignty and security stipulated in the U.N. Charter, will take affirmative steps for the withdrawal of the nuclear weapons from the Korean peninsula and the settlement of peace in Korea.

The national reunification and settlement of peace are more important for us than the entry into the United Nations.

We hope that you will take measures and show care proper to your authority, with full understanding of this desire and will of ours.

Seoul's Arrest of Delegates Decried

SK0312051890 Pyongyang KCNA in English
0455 GMT 3 Dec 90

[Text) Pyongyang December 3 (KCNA)—The South Korean rulers should act with discretion, looking squarely at the trend of the times, immediately release the delegates of the South side's promotion headquarters under arrest and fling open the door for wide-range dialogue, urges NODONG SINMUN today.

Hitting hard at the arrest of delegates of the South side's promotion headquarters of the pan-national rally by the No Tae-u group upon their return from the Berlin

tripartite working-level talks of the pan-national federation for national reunification, the news analyst says:

The arrest of personages who came back after doing work beneficial to reunification is an utterly illegal fascist outrage and an unpardonable anti-national and anti-reunification crime that can be committed only by such truculent fascist dictator and anti-reunification splittist force as the No Tae-u group.

As for the talks held in Berlin this time, they were reunification talks for conducting the reunification movement in the North, the South and overseas with redoubled vigor on a nation-wide scale. It was only too natural for them to participate in it as delegates of the South side's promotion headquarters of the pan-national rally.

The puppets, however, incriminated and arrested them. This is a malicious criminal act trampling underfoot the fervor of the massses for reunification and a self-opinionated act of those who think power almighty.

The repression of people who contacted us and discussed the reunification question with us by the fascist clique is a very impudent act against us, the dialogue partner, and an act spoiling the atmosphere of North-South dialogue.

Why do they, who once declared that they would "renounce authoritarianism" and open "an era of common people", criminalise today the delegates of the South side's promotion headquarters, the common people, who contacted us and had dialogue with us on reunification? This indicates that the puppets are, in fact, deadly afraid of the popular masses, the common people, and do not want them to create an atmosphere beneficial to reunification.

The deed of the South side's delegates who did good things for reunification by participating in the Berlin talks cannot be an object of repression, but deserves praises by the whole nation.

If the puppets persist in their attempt to brutally persecute and penalize the delegates to the talks, they will face curses and denunciation by the whole nation.

Group Demands Detainees' Release

SK0312114790 Pyongyang KCNA in English 1015 GMT 3 Dec 90

[Text] Tokyo December 2 (KNS-KCNA)—So Man-sul, vice-chairman of the central standing committee of the General Association of Korean Residents in Japan (Chongnyon), in a statement to the press on December 1 strongly demanded that the South Korean authorities discard their criminal attempt to abuse the North-South dialogue for their splittist aim indefinitely on the pretext of "unified channel of dialogue" and unconditionally and immediately release the Rev. Yi Hae-hak, the Rev. Cho Yong-sul and Mr. Cho Song- u, and coed Yim Su-kyong and all other illegally arrested personages as unanimously demanded by the entire fellow countrymen at home and abroad and the whole world.

He stressed:

Executive Chairman Yi Hae-hak, Co-Chairman Cho Yong-sul and Chief Secretary Cho Song-u of the South side's promotion headquarters of the pan-national rally who were arrested by the South Korean fascist clique this time discussed reunification, sitting face in face with their fellow countrymen, to realise the unanimous desire of the whole nation for reunification. Their act can never be an object of any penalty, but deserves praises.

Our entire compatriots in Japan, he stressed, will more vigorously struggle to save all the patriotic figures of South Korea from suppression by the military fascist clique and achieve the reunification of the country, the greatest cherished desire of the nation, at the earliest date possible.

Foreign Ministry Statement Distributed at UN

SK0112051090 Pyongyang KCNA in English 0425 GMT 1 Dec 90

[Text] Pyongyang December 1 (KCNA)—The statement of the Foreign Ministry of the Democratic People's Republic of Korea dated November 16 as regards the signing of a safeguards accord under the nuclear non-proliferation treaty was distributed as an official document S-21957 of the United Nations Security Council on November 23.

The statement stresses that the DPRK can sign a nuclear safeguards accord only on condition that the United States which has deployed more than 1,000 pieces of nuclear weapons in South Korea gives legal assurances that it would not resort to a nuclear threat against the DPRK, a non-nuclear state.

Continued Reportage on O Chin-u's Iran Visit

Meeting With Leaders Noted

SK0112044990 Pyongyang Domestic Service in Korean 2100 GMT 30 Nov 90

[Text] On 29 November, ('Abdol Hoseyn Mohammad Gulfegoni), head of the Secretariat of the Iranian Islamic revolution's leadership, met our country's military delegation led by Comrade O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers Party of Korea and minister of the People's Armed Forces.

At the meeting, head of the delegation delivered a personnal message and greetings to ('Abdol Hoseyn Mohammad Gulfegoni), head of the Guard Forces, from the great leader Comrade Kim Il-song to Sa'id 'Ali Khamen'i, the leader of the Iranian Islamic Revolution.

Expressing deep thanks for this, the [Guard Force] head asked the delegation head to convey the warm greetings of Sa'id 'Ali Khamen'i, leader of the Iranian Islamic revolution, to the great leader Comrade Kim Il-song.

The head said that he would welcome the visit of the DPRK military delegation to Iran. Noting the deep impression that he felt during his visiting to our country last year, he stressed that all successes that the Korean people achieved are genuinely valuable under the wise leadership of the great leader President, His Excellency, Kim Il-song.

He pointed out that the friendly and cooperative relations between Iran and Korea, which are developing favorably with each passing day, are sure to bloom continuously and fully in the future.

The talks proceeded in a friendly atmosphere.

Present there was Mosen Reza'i, general commander of the Iranian Islamic Revolutionary Guard Corps.

Imam Khomeyni's House Visited

SK0112073990 Pyongyang Domestic Service in Korean 2100 GMT 30 Dec 90

[Text] On 29 November, our country's military delegation led by Comrade O Chin-u, member of the Presidium of the Political Bureau of the Workers Party of Korea and minister of the People's Armed Forces, visited the house of Imam Khomeyni, former leader of the Iranian Islamic Revolution.

The delegation was accompanied by General Commander of the Iranian Islamic Revolutionary Guard Corps Mosen Reza'i.

At the house the delegation met (Ahmad) Khomeyni, son of the former leader of the Iranian Islamic Revolution, and chairman of the Iranian Archbishop (Taejugyo) Moslem Society and conversed with them in a friendly atomosphere.

Delegation Hosts Reception

OW0112192790 Pyongyang KCNA in English 1117 GMT 1 Dec 90

[Text] Pyongyang December 1 (KCNA)—The DPRK military delegation led by O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea and minister of People's Armed Forces, on a visit to Iran gave a reception at the DPRK Embassy in Tehran on November 29.

Speaking first at the reception, O Chin-u said: We note with high appreciation that the Iranian Government, people and officers and men of the armed forces have displayed indomitable fighting spirit and adhered to an independent stand and the non-aligned policy, not yielding to any pressure and interventionist moves of the U.S.-led imperialists.

He sincerely hoped that the Iranian people will make greater achievements in their endeavours to rehabilitate the economy destroyed during the war and build an independent and prosperous, new Iran under the banner of the Islamic revolution.

We set store by friendly and cooperative relations with the Iranian people and armed forces and will make efforts to futher strengthen and develop the relations through the common stuggle against imperialism, colonialism and all other manner of domination and for independence, he stressed.

In his speech Mosen Rezai, general commander of the Islamic Revolution's Guards Corps of Iran, said the military delegation's visit to Iran greatly contributed to strengthening the favourably developing relations of friendship and cooperation between the two countries, particularly between the armed forces of the two countries. Our two countries will as ever support, cooperate and unite with each other with an independent, strong will, he added.

This has become all the more necessary, he noted, because the world and regional situation has reached a grave stage and the U.S. imperialists' aggressive moves in our region have become undisguised.

We, hand in hand with you, will fight against the U.S. "policy of strength" towards our region and smash the U.S. imperialists' scheme, he stressed.

Delegation Departs Iran 30 Nov

SK0212122690 Pyongyang Domestic Service in Korean 1300 GMT 1 Dec 90

[Text] Our country's military delegation led by Comrade O Chin-u, member of the Political Bureau Presidium and minister of People's Armed Forces, on 30 November left Iran by airplane.

The flags of our country and Iran were flying at the airport.

Mosen Reza'i, general commander of the Iranian Islamic Revolution Guard Corps; representative of Islamic Revolution leaders dispatched to the Islamic Revolution Guard Corps; acting general commander of the Islamic Revolution Guard Corps; vice foreign minister; acting general chief of staff of the general command of Iran's armed forces; the chairman of logistic and industrial section of the Ministry of Defense and Armed Forces Logistics; vice general chief of staff of the Islamic Revolution Guard Corps; vice joint chief of the Iran's armed forces; and other relevant officials including the dean of the Command and Staff College of the Islamic Revolution Guard Corps, bid farewell to the delegation at the airport.

Our country's ambassador to Iran, military attache, and embassy staff came to the airport.

O Chin-u Military Delegation Arrives in Bangkok

SK0312033090 Pyongyang Domestic Service in Korean 2200 GMT 1 Dec 90

[Text] Our country's military delegation led by Comrade O Chin-u, member of the Standing Committee of the

Political Bureau of the Central Committee of the Workers' Party of Korea and minister of the People's Armed Forces, arrived in Bangkok, the capital of Thailand, yesterday by plane.

(Phichit Kunlawanit), deputy supreme commander of the supreme headquarters, sent by the supreme commander of the Thai Armed Forces; (Chawal), adviser to the supreme headquarters; and other high-ranking officers and men greeted the delegation at the airport.

Also, the representative of our country's trade mission in Thailand and its members were on hand at the airport.

While going to Thailand after leaving Iran, the delegation had stayed in China's Beijing and Urumqi.

Kim Il-song Greets Lao Party, State Leaders

SK0112104490 Pyongyang KCNA in English 1014 GMT 1 Dec 90

[Text] Pyongyang December 1 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, today sent a message of greetings to Comrade Kaysone Phomvihan, general secretary of the Central Committee of the Lao People's Revolutionary Party and premier of the Government of the Lao People's Democratic Republic [LPDR] and Comrade Phoumi Vongvichit, acting president of the LPDR, on the occasion of the 15th anniversary of the foundation of the LPDR.

The message says:

I, on behalf of the Central Committee of the Workers' Party of Korea, the Government of the Democratic People's Republic of Korea and the Korean people and on my own behalf, extend warm congratulations and fraternal greetings to you, and through you, to the C.C., the Lao People's Revolutionary Party, the Government of the Lao People's Democratic Republic and the Lao people on the 15th anniversary of the foundation of the LPDR.

Over the past 15 years since the foundation of the Republic which opened a new era in the life of your people, the Lao people under the leadership of the Lao People's Revolutionary Party headed by Comrade Kaysone Phomvihan have made a great progress in their endeavours to build a new Laos, independent and democratic, and are now actively struggling to consolidate the people's democratic system and accelerate socio-economic development.

The Korean people sincerely rejoice over the big achievements made by the Lao people in the building of a new society and heartily wish you and your people greater success in the work for the preparation of the fifth congress of the Lao People's Revolutionary Party.

Availing myself of this opportunity, I express the conviction that the traditional relations of friendship and cooperation between our two parties, two countries and two peoples will grow stronger and develop.

Meeting Marks Lao Anniversary

SK0112123090 Pyongyang KCNA in English 1050 GMT 1 Dec 90

[Text] Pyongyang December 1 (KCNA)—A meeting marking the 15th anniversary of the founding of the Lao People's Democratic Republic (LPDR) was held today at the Chollima House of Culture.

Present at the meeting were Yi Chol-pong, minister of city management and chairman of the Korea-Laos Friendship Association; Kim Chae-pong, vice-director of a department of the Central Committee of the Workers' Party of Korea, Cho Kyu-il, vice-minister of foreign affairs; Chon Yon-ok, vice-chairman of the Committee for Cultural Relations With Foreign Countries and vice-chairman of the Korea-Laos Friendship Association, and other officials concerned and working people in the city.

A speech was made and then a congratulatory message to the general secretary of the Central Committee of the Lao People's Revolutionary Party who is premier of the Council of Ministers of the LPDR, was adopted.

A Lao photo exhibition and film show took place on the same day.

Kim Yong-nam, Delegation Meet Cuba's Castro

SK0312021390 Pyongyang Domestic Service in Korean 1300 GMT 1 Dec 90

[Text] On 30 November in Havana, Comrade Fidel Castro, first secretary of the Central Committee of the Cuban Communist Party, president of the Councils of State, and minister of the Republic of Cuba, met with Kim Yong-nam, vice premier and minister of foreign affairs, who is leading the DPRK delegation visit to Cuba.

In the meeting, the foreign minister conveyed greetings to Comrade Fidel Castro from the great leader Comrade Kim Il-song and dear Comrade Kim Chong-il.

Comrade Fidel Castro expressed deep gratitude and asked the foreign minister to convey his greetings to the great leader Comrade Kim Il-song and dear Comrade Kim Chong-il.

At the meeting, talks were held in a friendly atmosphere.

The acting foreign minister of Cuba and our country's ambassador to Cuba participated in the meeting.

KCNA Reviews 3 Dec Pyongyang Press

SK0312054190 Pyongyang KCNA in English 0503 GMT 3 Dec 90

[Text] Pyongyang December 3 (KCNA)—NODONG SINMUN today carries news that media of Peru, Spain

and other countries reported immortal classical works of the great leader President Kim Il-song.

Publishing houses in South Korea brought out "Kim Il-song's Selected Works" and "Complete Works of Kim Il-song" containing treatises and teachings of President Kim Il-song, the paper says.

It informs the readers that a Pakistani paper carried the work of dear Comrade Kim Chong-il "On Some Questions in Understanding the Chuche Philosophy".

An article of the paper says that Comrade Kim Chong-il always sees to it that the Workers' Party of Korea [WPK] performs its duty as the mother party responsible for the destiny of the popular masses and looks after the people's life with utmost care and shows solicitude to them.

The paper dedicates an article to the 10th anniversary of the publication of the work of Comrade Kim Chong-il "On Some Tasks Facing the Party Organizations" (December 3, 1980).

According to the daily, a meeting was held for conveying a letter of thanks of the WPK Central Committee to the members of shock brigade of the General Federation of Trade Unions of Korea and working masses who had performed feats in the project of fire-arresting lines for the revolutionary battle sites and the revolutionary sites in the Mt. Paektu region.

Economic news of the paper includes reports that the central general association of materials and the district general association of materials in provinces have enlisted a huge amount of internal reserves and 10 odd stations under the Wonsan railway administration carried out its yearly transport plan ahead of schedule.

Conveyed in the daily are voices of foreigners praising the great progress made by the Korean people in building socialism under the unfurled banner of the chuche idea.

The paper carries a statement of Kim Won-kyun, chairman of the C.C., [Central Committee] the Korean Musicians Union, a signed commentary and a statement of the Japan regional headquarters of the Pan-National Federation for Reunification (Pomminnyon), which denounce the South Korean ruling quarters for taking into custody the delegates of the South side to the Berlin tripartite working-level talks of Pomminnyon.

The paper in a signed article urges the South Korean rulers to give up at once their claim of "unified channel of dialogue" and fling open to the people the door of North-South dialogue.

South Korean news columns of the daily include reports that some 1,000 students of Seoul University battled police blocking their screening of the North's films and strong demand for the disbandment of the "army security command" [Defense Security Command] and the puppet security planning board [Agency for National Security Planning] was voiced by people of different strata of South Korea.

It informs the readers that the U.S. imperialist aggressors persistently committed aerial espionage on the northern half of Korea.

International news of the paper reports that Premier Li Peng expressed support to the cause of the Palestinians in his letter to the session of the United Nations, the Zimbabwean president underlined the significance of peace and cooperation, the 46th anniversary of the liberation and the victory of the people's revolution was marked in Albania and Cuba submitted to the UN a draft resolution on non-interference.

Commenting on the current situation of El Salvador, the paper says that, if the civil war is to be exterminated and peace be ensured in the country, aggression and interference of the U.S. imperialists must be stopped and the pro-U.S. reactionary regime be removed.

Revolutionary Chuche Party Building Praised

SK0112125690 Pyongyang KCNA in English 1053 GMT 1 Dec 90

["Ours Is Invincible Revolutionary Party That Was Built and Has Strengthened and Developed on the Basis of the Chuche-Oriented Theory of Party Building"—KCNA headline]

[Text] Pyongyang December 1 (KCNA)—NODONG SINMUN today devotes one whole page to an editorial article titled "Ours Is Invincible Revolutionary Party That Was Built and Has Strengthened and Developed on the Basis of the Chuche Oriented Theory of Party Building".

Our party is called a new party of chuche-type and is proud of being a great party that has performed undying feats for the country and people, the times and history. This is because it takes the great chuche-based theory of party building as its guideline.

The article consists of three parts.

In the first part it says that the chuche-based theory of party building expounded by the respected leader Comrade Kim Il-song and inherited and developed by our party is a new and original theory.

The chuche-based theory of party building is a new and original one firstly because it is evolved on the new principle illumined by the chuche idea.

Dear Comrade Kim Chong-il has taught:

"The great leader Comrade Kim Il-song was the first in history to give a scientiic exposition of man's essential nature, explain from a new angle the principles of the socio-historical movement as an independent, creative and conscious movement of the masses of the people and, on this basis, evolved the unique theory of building the working-class party. Thus originated the principles of building a party of chuche which marks an epochal turn in the theory of building the working-class party."

The chuche-based theory of part building is the theory which is evolved and systematized on the basis of the scientific exposition of the essential qualities of man and socio-historical principles which were clarified by the great chuche idea for the first time in history.

With a scientific exposition of the essential qualities of man by the great chuche idea and new elucidation of the principles of socio-historical movement as the independent creative and conscious movement of the popular masses the principle of establishing the party's ideoloy and many other questions that had not been settled in the past were resolved. This is a great contribution of the chuche idea to the development of the theory of working-class party building.

The chuche-based theory of party building is a new and original theory secondly because it reflects the requirement of the party building in the era of independence, a new era.

The respected leader Comrade Kim Il-song paved a new way for building an independent party with his scientific insight into the requirement of our times and the law of party building and from his unshakable chuche-based stand.

Thus, the original chuche-based theory of party building has been founded to settle all the questions arising in party building and party activities independently in keeping with the desire and requirements of one's people and the specific conditions of one's country.

The chuche based theory of party building is a new and scientific theory thirdly because it has very practical experiences.

The theory has not only all the past experiences but also rich valuable experiences gained in the party building of our times including those accumulated at a time when socialist construction was comprehensively stepped up.

Comrade Kim Il-song gained many unique experiences while organising and leading the party building from its founding to its consolidation and development.

The chuche-based theory and traditions of the party building provided by Comrade Kim Il-song have been firmly defended and purely inherited and comprehensively developed in depth by dear Comrade Kim Chong-il.

In the second part the article says that the chuche-based theory of party building authored by the great leader Comrade Kim Il-song and carried forward and developed by our party is a flawless doctrine on the building of a working-class party of our era.

Above all, the chuche-based theory of party building clearly indicates the way of building a party on the basis of the monolithic ideological system.

Our party gave an exposition of the position and role of the leader in accomplishing the revolutionary cause of the working class and systematized the theory on the establishment of the party's monolithic ideological system on its basis.

Our party has always set it as the basic line of party building to establish the monolithic ideological system and carried it through and thus thoroughly established the ideological system of the leader and his leadership system within the whole party.

The whole course in which our party was founded and has been strengthened and developed is the course in which the work of establishing the party's monolithic ideological system has been steadily deepened.

The chuche-based theory of party building also most correctly indicates the way of building a mass party.

In the socialist society a working-class party must be built into a mass party involving the advanced elements of workers, peasants and working intellectuals.

Our party thoroughly implemented the line of building the mass party while closely combining its quantitative growth with its qualitative consolidation and thus strengthened and developed itself into a strong party that rooted deep among the workers, peasants, working intellectuals and other masses.

The chuche-based theory of party building illumines a correct way of building a militant party with strong organisation and discipline as well.

Our party, basing itself on firmly establishing the party's monolithic ideological system, has correctly embodied the principle of democratic centralism and strengthened the party life of the party members and thus strengthened and developed into an invincible revolutionary party with strong organisation and discipline, the whole party acting like one under the monolithic guidance of the leader.

The chuche-based theory of party building is also a precious guideline which makes it possible to thoroughly maintain the fundamental principle of party building to conduct the party work with main emphasis on the work of man.

Kim Il-song Gives Guidance at Complex

SK3011053990 Pyongyang KCNA in English 0357 GMT 30 Nov 90

[Text] Pyongyang November 30 (KCNA)—The great leader President Kim Il-song gave on-the-spot guidance to the construction site of Sariwon Potassic Fertilizer Complex on November 28.

He was accompanied by Han Song-yong, member of the Political Bureau and secretary of the Central Committee [CC] of the Workers' Party of Korea [WPK], Choe Yong-nim, alternate member of the Political Bureau of the C.C., WPK and vice-premier of the Administration

Council, Kim Yun-hyok, vice-premier of the Administration Council, and officials concerned.

Going round the construction sites of the complex, President Kim Il-song acquainted himself with the progress of the construction and expressed great satisfaction that the large-scale vast structures are being built up successfully by our own efforts and with our own technology, equipment and materials.

He noted with high estimation that People's Army soldiers and builders have done a lot of work in a short period by devoting all their strength and wisdom to the sacred efforts for the development and prosperity of the country and the happiness of the people, and extended greetings to them.

He convened a meeting of officials concerned and gave highly important teachings which would serve as a guideline in completing the construction of the Sariwon Potassic Fertilizer Complex at an earlier date.

President Kim Il-song said that when the construction of the Sariwon Potassic Fertilizer Complex is completed, potassic fertilizer which is of importance in increasing agricultural production and aluminium and cement will be mass produced so that a new progress will be made in the economic development of the country and the improvement of the people's living.

Saying that with a solid foundation of the powerful independent national economy, we can build any large-scale factories in a short time, if we are determined to do, he stressed that efforts should be concentrated on the construction of the complex so as to complete it in a short time.

In order to completely finish the construction of the complex in a few years to come, related factories and enterprises should give priority to the production and supply of ordered equipment and materials and advanced methods of construction be fully applied to speed up the construction, he said.

He said that as the Sariwon Potassic Fertilizer Complex is a precious wealth to be handed down to the posterity, the quality of the construction should be ensured on the highest level and all the production processes be built as required by modern science and technology through a massive technical innovation movement.

President Kim Il-song expressed the hope that the workers and builders of the complex would work new miracles and make innovations in the construction by renewing efforts in the same spirit displayed in the post-war period of the chollima upsurge and in the revolutionary spirit of self-reliance.

He said that to further increase the production of chemical fertilizers, another large-scale potassic fertilizer factory should be built on the east coastal area and modern cement factories be constructed to turn out a large quantity of cement with by-products from the potassic fertilizer factories.

Noting that when potassic fertilizer factories and cement factories make their appearance on the east and west coastal areas, our economic potential will be increased still further and the people will be provided with a more abundant life, he called for displaying the mettle of heroic Korea again in the fruitful endeavours to successfully complete this vast undertaking in the foreseeable future.

New Slogans Found on North Area Trees

SK2611054290 Pyongyang KCNA in English 0449 GMT 26 Nov 90

[Text] Pyongyang November 26 (KCNA)—NODONG SINMUN in an article Sunday says that many revolutionary slogans discovered in broad areas of Korea centering around the Paektu secret camp are a valuable wealth that enriches the history of the anti-Japanese revolutionary struggle.

The article quotes the great leader President Kim Il-song as saying:

"Many revolutionary relics and remains newly discovered in the northern part of Korea including the Mt. Paektu area are a priceless revolutionary wealth which makes it possible to enrich the history of the anti-Japanese revolutionary struggle."

It continues:

The newly discovered slogans written on trees are a most valuable revolutionary wealth which enriches the history of the leadership of the great leader Comrade Kim Il-song who led the anti-Japanese revolutionary struggle to a shining victory.

The revolutionary slogans are a valuable wealth, above all, because they go to prove the undying feats performed by the Great Leader in leading the anti-Japanese revolutionary struggle to victory through secret bases at home with the Mt. Paektu secret camp as the leadership centre.

While staying in the Mt. Paektu secret camp, the Great Leader organised and guided the anti-Japanese revolutionary struggle on the whole, personally travelling to the revolutionary bases built in broad areas of Korea and northeastern areas of China and training bases in the border area between the Soviet Union and Manchuria.

"Safe advance of the Supreme Commander, the place of an emergency meeting for national liberation, 4 kilometres off," "the regional office of the Association for the Restoration of the Fatherland, the presence of Kim Il-song, the leader of the Association for the Restoration of the Fatherland in 1945" and other slogans clearly indicate the places and dates of meetings.

The revolutionary slogans are a valuable wealth next because they bear witness to the undying feats performed by the Great Leader in leading the anti-Japanese revolutionary struggle to a brilliant victory in strict reliance upon the internal revolutionary forces.

"Let the patriotic workers and peasants unite and help the anti-Japanese army" and other slogans tell that broad segments of people including workers and peasants opposed to Japanese imperialism constituted the strong internal revolutionary forces for victory of the anti-Japanese revolutionary struggle.

"Anti-Japanese Army Commander Kim Il-song ordered an allout attack to liberate the country", "people's armed units" and other slogans prove that the units of the Korean People's Revolutionary Army that completed preparations for the final decisive battle against the Japanese imperialists and organisations for an armed uprising were the main forces for the victory of the anti-Japanese revolutionary struggle.

Among the slogans telling that the chuche-based guerrilla warfare tactics dealt a decisive blow at the Japanese imperialist aggressors armed with modern weapons are "General Kim Il-song, Mt. Paektu commander, advanced into the homeland on a swift horse employing the art of shortening distance", "the Japanese soldiers, surrender. The general who is versed in protean tactics of guerrilla warfare and the art of shortening distance appeared in Mt. Paektu leading tens of thousands of soldiers."

Editorial on Nonferrous Metal Work

SK0112053790 Pyongyang Domestic Service in Korean 0010 GMT 27 Nov 90

[NODONG SINMUN 27 November editorial: "Let Us Effect a New Upsurge in Producing Nonferrous Metal"]

[Text] Rapidly increasing the production of nonferrous metal is an important demand for positively accelerating the socialist economic construction and for further improving the people's standard of living.

The functionaries and the working people in the nonferrous metal industry and other relevant units should more vigorously launch a struggle to increase the production of nonferrous metal with high revolutionary spirit and militant strength.

The great leader Comrade Kim Il-song has taught: We should rapidly increase the production of nonferrous metal and develop the processing work for nonferrous metal.

Vastly increasing the production of nonferrous metal by constantly making great efforts in production is very important for developing a universal national economy and a technological revolution. It is important for accelerating the technological revolution in particular and for rapidly improving the people's standard of living.

As the great leader Comrade Kim Il-song has taught, nonferrous metal is an important raw material and is indispensable for industry. Only when more nonferrous metal are produced can modern machine facilities, various electric machines, communication machines, and electric wires be produced.

We should constantly make great efforts in producing nonferrous metal for further improving our people's standard of living. Our party has deeply understood the significance and importance of nonferrous metal in accelerating the socialist economic construction and in improving the people's standard of living. It has ensured that the balance between the production of iron and the production of nonferrous metal is maintained. In addition, our party has taken every step and measure to smoothly meet the increasing demand for nonferrous metal.

We have firmly secured the foundation for a self-reliant national economy by accelerating the task of the entire technological revolution and by completing the national mechanization within a short period. This is related to the rapid development of the nonferrous metal industry.

Now, we have strengthened the struggle for production and conservation and vigorously accelerated the technological revolution, upholding the great leader Comrade Kim Il-song's New Year Address, his historic policy speech, and decisions made at the 17th plenary session of the sixth party Central Committee.

The technological revolution precisely means a machine revolution. The production of modern machine facilities is unthinkable without the production of nonferrous metal. Only when more nonferrous metals—such as lead, zinc, and copper—are produced, can outdated and backward methods be transformed in a modern way by producing more modern machine facilities. This is in keeping with the realistic demand for socialist construction and for the development of science and technology. Then, mechanization, automatic machines, robots, and computers can be used in the production process.

In order to rapidly develop science technology and to accelerate the chuche orientation, modernization, and scientific orientation of the national economy through bold and positive technological innovation, and to vastly improve the people's standard of living by promoting the country's economy onto a new high level, it is urgently required to increase the production of nonferrous metal.

To increase the production of nonferrous metal, the entire party, entire country, and entire people should focus their concerns on the production of nonferrous metal. In addition, all should work from the standpoint of being the master who is responsible for the production of nonferrous metal.

Rapidly increasing the production of nonferrous metal is an important work for brilliantly realizing our party's intention to more quickly develop the national economy and to vastly improve the people's standard of living. For this reason, the issue of increasing the production of nonferrous metal is not work restricted to any one or two units, but is work related to the entire party, the entire country, and the entire people.

All domains and all units of the national economy, the administrative and economic domains of the party, and

all party members and the working people should uphold the party's intention to more rapidly increase the production of nonferrous metal. They should always focus deep concern on production and grasp arising problems and settle them at a proper time.

In particular, the party organizations at every level and other relevant organizations should consistently press ahead with the work to guarantee related facilities and equipment, including plant facilities needed for the nonferrous metal industry.

Putting efforts in the Kumdok mining complex is an important demand for increasing the production of nonferrous metal. Kumdok mining complex is very important for producing nonferrous metal. For this reason, our party has not only considered the Kumdok mining complex very important, but also has demanded that the entire party, the entire army, and all of the people positively help the complex materially and technologically.

The Administration Council and relevant committees, ministries, and units should constantly help the Kumdok mining industry in various ways so that it can discharge its responsibility. The functionaries in committees and ministries should go down to the Kumdok mining complex and grasp the situation in the complex. By so doing, they should settle what should be settled by themselves and should dovetail what should be dovetailed. In addition, they should conduct organizational work to more actively press ahead with rear-area supply work.

At the present, relevant domains should further carry out the organization of equipment production, including air compressors, mining cars, and rock drills. In addition, they should in a timely manner supply equipment and facilities for producing nonferrous metal and for expanding capacities, thereby ensuring that the Kumdok mining complex overfulfills its assigned task of nonferrous metal production by the day, by the month, and by the quarter.

Playing the roles of vanguard and shock brigade in socialist construction are the great honor and pride of youths. The heroic struggle and lofty efforts made by our millions of youths have been present in all our people's brilliant victories and successes.

Our party believes that the youths have unfathomable strength and creative ability. It demands with great expectations that youths play a great role in producing nonferrous metal.

The organizations of the League of the Socialist Working Youth of Korea throughout the country should more vigorously press ahead with organizational political work. This will positively inspire youths to be full of vigor and creative enthusiasm. In addition, they should positively support materially and technologically the Kumdok mining complex to promote a greater leap.

The functionaries and the working people of the Kumdok mining complex are basically completing the target of nonferrous metal production that the party set. Even though the support from other domains and units is important, the success and failure in producing the country's nonferrous metal greatly depend on the determination and obligation of the functionaries and the working class, who are directly related to the production of nonferrous metal.

All functionaries and the working class of the Kumdok mining complex should vigorously accelerate the advance entirely. To this end, functionaries further press ahead with the work of economic organization, supply work, and the work of managing facilities and organizing labor forces. Only when functionaries skillfully organize and guide all works with the revolutionary spirit and militant vigor which they displayed in the era of the chollima great upswing, can the production of nonferrous metal be normalized at a higher level.

In taking the position "Once the party is determined, we will carry anything out" the entire working class of the Kumdok mining complex should properly manage the ore dressing and machine facilities. They should repair and keep them in good order in a timely manner. They also should thoroughly follow the technology regulations and standard operations.

The functionaries and the working people of other units, including the Yanggang Provincial mining complex, who are assigned to the production of nonferrous metal, should effect a great upsurge in production of nonferrous metal by kindling the flames for the campaign of production and conservation.

There are large-scale smelteries, including the Tanchon smeltery and the Nampo smeltery complex, which were built under the leadership of the party in our country. In addition, there are many nonferrous metal processing. Under such circumstances, if smelteries more properly repair, improve, and modernize facilities, and smelt the minerals produced from nonferrous metal mining in a timely fashion, the actual efficiency of smelteries could be further increased.

Functionaries and the working people of all smelteries, bearing in mind that the production of nonferrous metal greatly depends on them, should vastly increase the actual efficiency of smelteries by operating facilities at full capacity.

Nonferrous metal processing plants should further produce various processed goods, including red oxide from lead, copper plate, copper discs, cable lines, and enamel lines, by processing nonferrous metals once, twice, thrice, and four times in keeping with the reality of development.

The party organizations at every level in nonferrous metal production should explain and inculcate among the party members and the working people the party's intention, the Hamhung plenary session of the party

Central Committee, and the decisions of the 17th plenary session of the sixth party Central Committee in particular. By so doing, the party organizations at every level should ensure that the party members and the working people vigorously launch a struggle to increase the production of nonferrous metal, taking the stand appropriate for a master. In addition, they should lead functionaries to properly do the work of frequent summings up and rearrangement.

Only when the party greatly focus its concern on the production of nonferrous metal can its production be increased and can the work of organizing the material and technological foundation for the production of nonferrous metal be accelerated more positively.

Let us all effect a new turning in developing a universal national economy, in carrying out technological revolution, and in improving the people's standard of living by vigorously launching a struggle to increase the nonferrous metal production while upholding the party's intention.

South Korea

Daily Views UN Resolution on Persian Gulf

SK0312025490 Seoul TONG-A ILBO in Korean 30 Nov 90 p 2

[Editorial: "The Resolution of the Security Council To Use Armed Force"]

[Text] The UN Security Council has allowed the U.S.-led multinational forces to use armed force against Iraq in the Gulf, over which the cloud of war is hanging. As a result, the multinational forces now confronting Iraq have been given clearance to act in the name of the United Nations.

The Security Council's resolution does not directly express the use of armed force, but uses the words "all necessary measures." This is merely diplomatic rhetoric. The Security Council's resolution contains an ultimatum stating that the multinational forces can take any military action in the name of the UN forces if Iraqi troops fail to withdraw from Kuwait—which they occupied through armed force—by 15 January 1990.

Now Iraqi President Saddam Husayn has only two alternatives—observe the Security Council's resolution or fight the UN forces. President Husayn was mistaken if he believed a strong country's invasion of a weak one through military force would be overlooked. He also has blundered if he has ignored the expansion of the United Nations' role as it adopted 12 separate resolutions.

President Husayn, who has adopted as countermeasures the question of using nuclear and chemical weapons and hostage diplomacy—which would be more powerful than nuclear bombs—has only dragged the situtation out and prompted strong counteractions by the United Nations. Husayn is following a very lonely path in view of today's international community, where the superpowers, the United States and the Soviet Union, once enemies during the cold war, have taken a joint step in implementing sanctions against Iraq. Even China abstained from voting, which implies approval in a sense.

All nations hope the Gulf crisis soon will be peacefully settled. Eastern European countries, which have effected great reforms and ushered in a new era after the cold war, are suffering from economic crises, on the brink of bankruptcy due to difficulties in securing energy sources. Many countries which rely on Middle East oil are experiencing difficulties. For this reason, the Gulf crisis, which sends a red signal to the world economy, is even more serious.

The Security Council's resolution to use armed force against Iraq literally is a ultimatum. The development of the Gulf crisis into a total war without taking any measures to peacefuily settle it will result in ruthless bloodshed. U.S. military specialists predict that the number of victims among the U.S. forces will reach at least 20,000 after the first week of war. The number for Iraq will be far greater.

For this reason, there is controversy over whether a war should be waged. In particular, Democrats have held hearings and strengthened their antiwar stand in relevant committees of the House of Representatives and the Senate. President Bush, who has been embroiled in arguments over the right to declare war, has been pressed to clarify what the U.S. goal is. After all, the Bush administration has been faced with another front at home, like that which developed during the Vietnam war.

The Security Council's resolution to use armed force can help reinforce Bush's stance. The U.S. Congress can support the Security Council measure through a special session and adopt a resolution backing President Bush's authority to use armed force. Otherwise, the Bush administration's Gulf policy can only be shaken. We are watching the expansion of the United Nations' role and hope the crisis can be settled without bloodshed.

Three Dissidents Arrested at Kimpo Airport

SK3011094490 Seoul YONHAP in English 0906 GMT 30 Nov 90

[Text] Seoul, Nov. 30 (OANA-YONHAP)—Three South Korean dissidents were in police custody Friday evening after being arrested at Seoul's Kimpo International Airport on their return from talks with North Koreans in Berlin.

Some 20 special agents from the national police headquarters hustled the three into a waiting microbus as they stepped off a plane from Japan and whisked them away. The Rev. Cho Yong-sul, 70, co-leader of the southern headquarters of the pan-national rally, protested that the police were violent and had gagged him

during the arrest. His companions are Yi Hae-hak, 45, and Cho Sung-wu, 40, both headquarters officials.

Yi told reporters, "when South and North Korea meet, there is sure to be a miracle." He hinted at more news than the formation of the Pan-national Coalition for National Unification during the Nov. 19 meeting.

There were minor clashes between some 50 members of the umbrella dissident organization Chonminnyon and the police over placards and pamphlets brought to welcome the three. Headquarters is affiliated with Chonminnyon.

Police had posted 600 riot troopers around the airport and the plane was directed to a cargo terminal instead of the passenger terminal to facilitate the arrest. However, no severe clashes were reported and the dissidents disbanded after making a protesting statement at the arrest. The three are charged under the national security law, which outlaws any contact with North Koreans anywhere in the world without government approval.

North, South Fail To Reach Agreement in Contact

SK0112050590 Seoul Domestic Service in Korean 0300 GMT 1 Dec 90

[Text] At 1000 today in the North side area of Panmunjom's Panmungak, both the North and South sides held a third working-level delegates' contact for adjusting the draft of the written agreement for the third round of North-South High-Level Talks. Negotiations were held on the basic positions of each side's proposals, but no agreement was reached.

In today's contact, negotiations were held on our side's proposal for the basic written agreement for improving relations between the North and South and on the North's nonaggression declaration and declaration on exchange and cooperation, but since both sides did not budge at all no agreement was reached.

Our side claimed that after adopting the basic written agreement, both sides should form an exchange and cooperation committee and a political and military committee within one month so that the adoption of the nonaggression declaration which the North side is advocating can be negotiated in the political and military committee.

However, the North side claimed that a written agreement on the nonaggression declaration should be drawn up in the working-level delegates' contact and adopted at the third round of high-level talks, which will be held in Seoul starting 11 December.

In today's contact our side presented a revised proposal for ending the military competition and abolishing the item on establishing a permanent liaison mission, which is included in the eleven items of the basic written agreement on improving North-South relations that was presented in the first contact of 21 November.

Another Contact Proposed

SK0312090990 Seoul YONHAP in English 0839 GMT 3 Dec 90

[Text] Seoul, Dec. 3 (YONHAP)—South Korea has called for a fourth meeting between South and North Korean liaison officials to discuss procedural matters concerning the third meeting of their prime ministers.

Chief South Korean liaison official Kim Yong-hwan proposed in a telephone message to his northern counterpart, Choe Pong-chun, that they meet in the truce village of Panmunjom on Wednesday at 10 a.m. to discuss the North Korean delegation's itinerary and working-level contacts, the South-North dialogue secretariat in Seoul said.

The prime ministers are scheduled to meet in Seoul on Dec. 11, accompanied by other cabinet ministers and delegates, for their third round of talks. The first round was in Seoul in September and the second in Pyongyang in October.

The officials have met three times to draft an agreement to be adopted in the talks, but cannot agree.

The North wants to sign a non-aggression declaration while the South puts priority on exchange and cooperation.

S, N Finalize Plans for Musical Concert

SK0312102690 Seoul YONHAP in English 0945 GMT 3 Dec 90

[Text] Seoul, Dec. 3 (YONHAP)—South and North Korea Monday finalized their plans to hold a year-end concert of classical Korean music in Seoul on Dec. 9-10 and the itineraries of the North Korean participants in the event.

The two sides held a liaison officials contact at the truce village of Panmunjom and agreed that they would send 33-member troupes to the event each and would exclude "political color" entirely from the stage. The 33 will consist of 24 musicians, one chief delegate, one program director, one sound technician, one communications technician, one liaison official and four journalists.

The North Korean delegates will come to Seoul aboard a bus and four sedans. Performers' equipments and luggages will be carried by two cargo trucks.

The two sides decided to select sightseeing spots for the northern visitors after they come to Seoul on Dec. 8. The northern delegates will return home on Dec. 13.

The northern side handed over a list of its performers and a program of the planned performances to the South and the South gave the North a document guaranteeing the safety of the North Koreans issued in the name of the home minister.

The North Korean liaison officials said in the meeting that Kim Won-kyun, chairman of the North Korean Musicians Association, had argued that the three representatives of the umbrella dissident organization, Chonminnyon, who had been arrested upon returning home from Berlin after attending a pan-national conference, should be released.

Kim was quoted as asking chief southern organizer, Prof. Hwang Pyong-ki of Ewha Womans University, to insure that the musical performance could be given in a "free and good" atmosphere.

Seoul Plans Cooperation Projects With Pyongyang

SK2911045390 Seoul SEOUL SINMUN in Korean 27 Nov 90 p 2

[Text] In an effort to concretely expand North-South economic exchanges, the government is planning to propose to the North such cooperation projects as the establishment of a free trade zone and a model peace industrial complex, the exchange of trade delegations and goods exhibitions, the joint development of oil fields in the continental shelf of North Korea, a joint ecosystem survey, and a trade of agricultural products.

To this end, the government has decided to urge, at the third round of North-South High-Level Talks slated for next month in Seoul, the North Korean side to agree to an early formation of a North-South joint economic cooperation committee headed by vice prime ministers.

In its report to the National Assembly for the inspection of state affairs, the Economic Planning Board disclosed this plan on 26 November and revealed that along with the steady expansion of indirect trade between the North and South, the government will push ahead with the work of changing the indirect trade into a direct trade.

Also, the government is planning to push ahead with such cooperation projects as the joint development of underground resources, the reconnection of railways, roads, and ports, the permission of direct visits to the other side by foreign tourists, the invitation of North Korean scholars to international academic functions, North-South joint scientific research work, North-South joint countering of the environmental problem in northeast Asia, and the exchange of agricultural technology and joint external investment.

Expanded Direct Trade With Pyongyang Sought

SK2711034090 Seoul THE KOREA HERALD in English 27 Nov 90 p 6

[Text] South Korea bought $35,540,000 worth of North Korean products over the last two years and sold the North $162,000 worth of goods. The Economic Planning Board [EPB] said yesterday the government will try to expand trade with Pyongyang by shifting from indirect to direct trade.

The EPB said it will extend more financial and taxational support to local businesses and compensate South Korean companies for losses in dealing with the North with the inter-Korean cooperation fund to expedite South-North trade. The government will carry out proposed inter-Korean projects, including inter-Korean projects, including inter-Korean railroads and joint development of underground resources.

The government announced guidelines for inter-Korean trade in October 1988 as a follow-up to President No Tae-u's "July 7 declaration" which permitted inter-Korean exchanges of personnel and commodities.

According to the board, trade with socialist countries last year increased 14.9 percent over 1988 to $4,221 million and was $3,269 million in the January-August period of this year, up 20 percent over the same period last year.

EPB said South Korea exported $1,586 million worth of commodities to socialist nations during the first 8 months of this year, up 30.2 percent over the same period last year, while importing $1,683 million worth of goods, an increase of 11.7 percent.

Trade with the Soviet Union rose 64.3 percent to $488 million thanks to a 482.6 percent jump in Soviet purchases of Korean consumer goods and trade with East-bloc nations was up 83.1 percent to $412 million due to improved trade conditions, it said.

Civilian Vessels Pass Through Neutral Waters

SK2511021390 Seoul THE KOREA HERALD in English 25 Nov 90 p 3

[Text] South Korean civilian vessels cruised through the estuary of the Han River inside the Demilitarized Zone (DMZ) on their way to a construction site yesterday for the first time since the signing of the Armistice Agreement in 1953, a Defense Ministry spokesman said yesterday.

A flotilla of eight vessels reached Wolgok-ni, a South Korean location north of Kanghwa Island around 11 a.m. following about a 3 1/2-hour-long voyage through the neutral area off the island, he said.

The vessels, including two dredgers, a barge and three tugboats, stopped over Wolgok-ni one hour earlier then sailed on their way to an islet near the Haengju Fortress where the dredging will take place. The fleet left Kyongdong Island for the neutral area at 7:30 a.m. dredge sand and gravel near the islet for one year to construct the 46km-long "Freedom Road" which will connect the Haengju Bridge and the Freedom Bridge in Munsan, government officials said. [sentence as published]

Two tugboats will depart Chollu-ni at 11 a.m. tomorrow to make a return cruise along the same route, they said.

They will be the first ships to sail through the buffer zone since the Armistice Agreement was inked in July 1953, the officials said.

The vessels have cruised along the estuary of the Han River as no vessels can sail down the river because of an underground dam set up to maintain water levels of the river, they said.

Earlier, the government said it, through the Military Armistic Commission, Nov. 15 notified North Korea of the cruise plan and the following day presented North Korea with all the information about the navigation, including pictures of the vessels, 28 crew members and cargo, a ministry official said.

North Korea has not raised any objections to the plan, probably because it does not go against North Korea's proposal to utilize the DMZ for peaceful purposes, the official said adding that the sailing does not conflict with the Armistice Agreement.

The fleet departed Inchon port at 9 a.m. Thursday morning and reached Kyondong Islet at 5 p.m. the same day.

The planned road is scheduled to be completed by 1995.

North Could Possibly Use New Satellite

SK0212053790 Seoul THE KOREA TIMES in English 2 Dec 90 p 1

[Text] A communications and broadcasting satellite that South Korea plans to launch in 1995 can be used by North Korea in the long run, a ranking Communications Ministry official said yesterday.

Another senior ministry official, however, said that the projected medium-size satellite to be named "KoreaSat" will be designed to cover only the southern part of the divided Korean peninsula in accordance with the regulations of the International Telecommunication Union (ITU).

During the parliamentary inspection of the ministry, Rep. Choe Yong-kun of the opposition Party for Peace and Democracy asked Minister Yi U-chae if it was possible for the North to use the projected satellite.

Yun Tong-yun, director of planning and management of the ministry, said, "Our government was given an ITU permission in 1988 to launch the satellite to cover the southern part of the peninsula only. Therefore, it would be difficult to change the plan at present to extend the coverage of the satellite."

Minister Yi U-chae said, however, that "in the course of manufacturing the satellite," the ministry can study the possibility of expanding coverage to North Korea.

A ministry official said, "it would not be too late to study the issue even after the satellite has been launched."

He explained that it will take two to six years for the government to win endorsement from ITU and neighboring countries, including China and Japan, to design and launch a satellite which can cover the whole peninsula.

"If and when inter-Korean relations improve and North Korea wants to use the satellite, our government will consider it favorably," the official said.

An expert at the ministry opined that the satellite might be utilized in some regions of the North without changing its design, frequency and orbit.

The government communications satellite project has to pass an inspection by ITU to determine whether it followed the original design before it is launched.

The government plans to invest some 300 billion won (about $422 million) in the project, according to the ministry report to the National Assembly.

All DPRK Students in USSR 'Ordered Home'

SK3011022490 Seoul THE KOREA HERALD in English 30 Nov 90 p 1

[Text] TOKYO (Yonhap)—All North Korean students studying in the Soviet Union were told to return home after a political rift developed between the two countries, Sankkei Shimbun reported Thursday, citing reliable sources in Moscow.

The Sankkei said that the last batch of 25 North Korean students in Moscow left the country aboard a North Korean airplane Wednesday night. They were among 35 students who have been studying in Moscow, including children of diplomats, it added.

An estimate of 500 to 600 North Korean students were recently staying in the Soviet Union and all of them have been ordered home, reflecting the worsened relationship between Moscow and Pyongyang after Seoul and Moscow established diplomatic ties, the paper said.

The paper further said that the recall of students was also attributable to higher educational expenses after the Soviet Union revocated favors from them in imposing tuitions. The North Korean students have so far been exempt or eased from the normal tuition, the paper added.

Seoul Planning Antiwar Agreement With USSR

SK0312045090 Seoul CHOSON ILBO in Korean 3 Dec 90 p 1

[Text] On 2 December, it was learned that the government had a plan to push ahead with signing an explicit agreement to object to a war on the Korean peninsula with the Soviet side at the Korean-Soviet summit talks slated for the middle of this month in Moscow.

It was also learned that to declare this agreement to the world, the government had decided issue a joint statement or hold a joint press conference after the summit talks between Presidents No Tae-u and Gorbachev.

It is expected that an agreement objecting to war on the Korean peninsula at the summit between Korea and the Soviet Union is of great significance in that it will serve

as a declaration of the Soviet Union not to support North Korea when it provokes a war; that it will result in deterring a possibility for North Korea's armed provocations in advance; and that it will serve as reaffirming our will against war to the world.

In this connection, a government source said on 2 December that "reaching an agreement objecting to war on the Korean peninsula will be an event which concretely confirms how the Soviet diplomacy of a 'new thought' is applied to easing tension on the Korean peninsula" and added that an agreement will have substantial influence when the phrase 'object to a war' is included in it along with the expression of support for easing tension and maintaining peace."

The source also made clear that "although the government has the policy of ultimately developing cooperative relations with the Soviet side for the easing of tension on the Korean peninsula, it still assumes the stand of viewing the Korean-U.S. security cooperation system and relations with other friendly nations as vital since efforts to ease tension have not yet been fully made in Northeast Asia and on the Korean peninsula."

In connection with the Soviet side's demand for turning the Korean peninsula into a nuclear zone and the withdrawal of the U.S. troops from Korea, he said that "the government will clarify its stance that 'such a demand is unrealistic without the overall reduction of armed forces in Northeast Asia and the removal of such threatening factors as North Korea's offensive military deployment.'"

It is predicted that the question of healing 'unfortunate incidents in the past'—such as the outbreak of the 25 June war and the shooting down of the Korean airliner—the question of our side's entry into the United Nations, the question of North Korea's signing a nuclear safety accord, the question of leading North Korea in the direction of opening its door, and ways for strengthening cooperation for durable peace in Northeast Asia will be discussed at talks between Foreign Minister Choe Ho-chung and Soviet Foreign Minister Shevardnadze.

Date of President No's USSR Visit Confirmed

SK0112105090 Seoul Domestic Service in Korean 1000 GMT 1 Dec 90

[Text] This is a report sent by correspondent Yi Yun-song from Tokyo. Quoting a source of the Soviet Foreign Ministry, SANKEI SHIMBUN reported from Moscow that the Governments of the ROK and the Soviet Union have confirmed the itinerary of President No Tae-u's visit to the Soviet Union as 4 days, from 13 to 16 December.

It had been previously announced that President No Tae-u's visit would last for 5 days, starting 18 December. However, the paper said that since the Congress of People's Deputies will be held starting 17 December to discuss urgent Soviet domestic issues, the date of President No's visit has been moved up.

During President No's visit to the Soviet Union, he will hold a series of talks with Soviet President Gorbachev and discuss the measures for mutual cooperation between the two countries. He will sign six agreements on economic cooperation and expansion of trade, which are the most important issues of all.

Soviet Ambassador To Take Post by Mid-December

SK3011070290 Seoul YONHAP in English 0606 GMT 30 Nov 90

[Text] Seoul, Nov. 30 (OANA-YONHAP)—Oleg Sokolov will take up his post as the Soviet Union's first ambassador to South Korea before President No Tae-u visits Moscow in mid-December for summit talks with President Mikhail Gorbachev, Foreign Minister Choe Ho-chung said Friday.

"Sokolov will come to Seoul as the first Soviet ambassador before No's scheduled visit to Moscow to prepare for the opening of the Soviet Embassy here and to discuss currently pending issues, including the No-Gorbachev meeting," Choe said.

The two nations established full diplomatic relations on Sept. 30, and Kong No-myong was named ambassador to the Soviet Union on Oct. 30.

Delegation To Head for Moscow Trade Talks

SK0312080090 Seoul YONHAP in English 0655 GMT 3 Dec 90

[Text] Seoul, Dec. 3 (YONHAP)—A working-level delegation leaves South Korea for Moscow on Tuesday to wind up talks on a bilateral investment guarantee, and aviation and fisheries agreements, a spokesman for the Foreign Ministry said Monday.

"Seoul and Moscow are at odds in the fields of aviation and fisheries, but their is hope for an investment guarantee," the spokesman said. "The working-level delegation will conduct final negotiations on Dec. 5-7 in Moscow."

Choe Tae-hwa, a director-general level ministry official, will head the mission, he said.

The government is to fulfil legal requirements this week in anticipation of signing agreements on trade, science and technology, and prevention of double taxation, he said.

President No Tae-u is to visit the Soviet Union this month.

Joint-Venture Institute With Soviets Planned

SK3011002390 Seoul CHUNGANG ILBO in Korean 27 Nov 90 p 2

[YONHAP, TASS from Khabarovsk]

[Text] An international research institute for peace and cooperation will be inaugurated soon to assist contact between agricultural, industrial, trade, and scientific organizations in the ROK and the Soviet Union. This institute will be the first joint-venture project since diplomatic relations were established between the two countries.

On 26 November the Khavarovsk branch of the Soviet Peace Fund and the (Chinpa) Company of the ROK agreed to jointly inaugurate the international research institute for peace and cooperation to assist establishment of relations between ROK and Soviet industrial, agricultural, trade, and scientific organizations.

40 Tons of Uranium From USSR Arrives

SK2911090290 Seoul YONHAP in English 0835 GMT 29 Nov 90

[Text] Seoul, Nov. 29 (YONHAP)—The first 40 tons of enriched uranium from the Soviet Union arrived in South Korea in three batches this month under a 10-year contract, the Energy and Resources Ministry announced Thursday.

Another 350 tons is due over the next nine years under the contract, signed by the Korea Electric Power Corp. (KEPCO) and Techsmab-Export, the Soviet Nuclear Power Exporting Agency, the ministry said.

It said the uranium, to be used to fuel nuclear power plants starting next year, is enough to run two reactors producing 900,000 kilowatts for a year.

The uranium arrived aboard an Aeroflot cargo plane and was picked up by the Korea Nuclear Fuel Co., the ministry said.

The Science and Technology Ministry will send a delegation to the Soviet Union before Christmas to promote a nuclear power accord between the two countries.

Representative in Beijing on PRC Relations

SK2511022490 Seoul THE KOREA HERALD in English 25 Nov 90 p 2

[Excerpt] "I will do my best in deepening economic and trade relations with China. Most of all, political relations, I believe, will automatically follow when economic ties grow enough," said No Chae-won, who was named the first head of the Korea Trade Promotion Corp. (KOTRA) representative office in Beijing yesterday.

The 59-year-old former vice foreign minister said Korea and China are now entering a historic and crucial stage in their relations.

"Recovering relations with China means a lot, not only in a historical viewpoint but also in an economic term considering China's huge economic potentials," said No, the first Korean diplomat to reside in Beijing.

The appointment of No, a career diplomat, as the head of the KOTRA office, was of course, with the tacit approval of the Chinese and is therefore, seen as a beginning of formal relations between the two countries.

Seoul, however, didn't need the agreement of Beijing in the appointment as it did for other ambassadors.

No said he is to take up his post in mid-January after the KOTRA representative office opens. Yu Hae-chung, a vice consul in Hong Kong, and six other officials from the Foreign Ministry will leave for Beijing Nov. 28 to arrange the opening.

"It is an honor for me to serve that important post though I cannot say I am a Chinese expert," the envoy said.

But No is not apparently a stranger in Chinese matters.

When a Chinese civil airliner made an emergency landing in Korea in 1983, he, then vice foreign minister, conducted negotiations with Chinese.

"It was an important event in the relations between Korea and China. The smooth settlement of that sensitive incident has surely helped develop the relations which had been cut off for almost 40 years," No said.

He said he was impressed by the Chinese pragmatic approaches to problems at that time though he refused to elaborate on what had happened in detail.

Asked whether he would persuade the Beijing government to support Seoul's U.N. entry when he arrives at Beijing, No only said, "The Seoul government wants its neighbors including China to understand its position on that matter."

On the question when he thinks the two countries will set up diplomatic relations, he said, "The sooner, the better." [passage omitted]

Seoul To Withdraw 10 Overseas Missions by 1992

SK3011055890 Seoul HANGUK ILBO in Korean 29 Nov 90 p 1

[Excerpts] On 28 November, 15 National Assembly standing committees continued their third day of reviewing state affairs. [passage omitted]

Foreign Minister Choe Ho-chung answered: "As a need for diplomatic confrontation between the North and the South has been mitigated and a demand for personnel recruitment has increased, the government plans to focus the operation of overseas missions on key missions. According to this plan, the government will withdraw 10 foreign missions—three by next June and the other seven by the end of 1992—from the Middle East, Africa, and Central and Latin America." [passage omitted]

Trade With Socialist Countries Rises Sharply

SK2611030990 Seoul YONHAP in English 0137 GMT 26 Nov 90

[Text] Seoul, Nov. 26 (YONHAP)—The Economic Planning Board reported to the National Assembly Economy-Science Committee Monday that South Korea's trade with communist countries has risen sharply in the last two years due to expanding economic cooperation, which it said was made possible by diplomatic ties and the establishment of trade offices.

According to the board, trade with socialist nations last year increased 14.9 percent to 4.221 billion U.S. dollars over 1988 and was 3.269 billion dollars in January-August, up 20 percent over the same period last year.

Exports during the eight months leaped 30.2 percent to 1.586 billion dollars, and imports increased 11.7 percent to 1.683 billion dollars, it said.

Trade with the Soviet Union rose 64.3 percent to 488 million dollars over the same months last year thanks to a 482.6-percent jump in Soviet purchases of Korean consumer goods and trade with East-bloc countries was up 83.1 percent at 412 million dollars due to improved trade conditions, it said.

Trade with China increased 5.8 percent because of China's economic depression and sustained austerity policy since the crackdown on a pro-democracy movement in June last year.

As of the end of September, the bank of Korea has approved 49 investments worth 175 million dollars in the countries and 34 of them worth 74 million dollars are now in operation, the board said.

No Tae-u Instructs Uruguay Round Negotiators

SK0112033390 Seoul YONHAP in English 0249 GMT 1 Dec 90

[Text] Seoul, Dec. 1 (YONHAP)—President No Tae-u has told the South Korean delegation to the GATT ministerial conference in Brussels on Dec. 3-7 to do its utmost to help settle the Uruguay Round trade negotiations. On hearing of the delegation's plans for the conference on Saturday, No said Korea was one of the countries that received most benefits from free trade and it should take a positive attitude to help the negotiations.

Deputy Prime Minister Yi Sung-yun reported to the president the delegation would come up with "flexible" alternatives so that the negotiations can make headway. No asked Agriculture, Forestry and Fisheries Minister Cho Kyong-sik and Trade and Industry Minister Pak Pil-su to try until the last minute to reflect the backwardness of Korea's farming and fishing industry in the conference but not to cause unnecessary friction with the United States.

Yi said Korea needed to take a more flexible attitude because many countries are expected to bring their final positions to the Brussels conference. He said the Korean delegation would make efforts in the agricultural field with a position between the exporting and importing countries and seek 10 years for liberalization of the textile trade.

Korea may adjust its demand for 15 non-trade concerns, including rice, to be excepted from import liberalization. On service, investment and intellectual property rights, Korea will endeavor to lower the demands of advanced countries.

Yi promised positive efforts to settle the Uruguay Round negotiations and said that if they fail the multilateral trade system will collapse and trade pressure on bilateral relations will increase. The deputy premier said Korea will face difficulty if the multilateral system collapses because such sensitive areas as agricultural products and finance will be subject to bilateral negotiations. He said Korea will try to block unilateral measures by advanced countries in defiance of GATT regulations.

Minister Views GATT Process

SK0112060890 Seoul THE KOREA HERALD in English 1 Dec 90 pp 1, 7

[By Choe Sung-chin, staff reporter]

[Text] Between Dec. 3 and 7, the eyes of the world will focus on Brussels, Belgium, the venue of GATT's ministerial conference.

Interest is increasing here in the outcome of the ministerial session expected to end the four year-long Uruguay Round multilateral trade negotiations, which may frame the global economic order for the next 20 years. However, the higher the domestic interest grows, the keener the sense of responsibility felt by the Korean delegation to the historic trade talks.

"The government will spare no efforts for the positive settlement of the GATT talks in the Brussels meeting, because only such a stance will best serve this country's interests and purposes," said Korea's chief negotiator yesterday.

In an interview with The Korea Herald, Minister of Trade and Industry Pak Pil-su said he is quite confident that Korea's export potential will grow almost unlimitedly in proportion to "our" efforts when all the countries in the world open their markets.

Citing that Korea has exported its way to economic success in the past 30 years, Minister Pak said that only under freer and fairer world trade can this resource-poor, capital-short and technologically-behind country find the door to the industrial nations' group.

"Of course, Korea will likely undergo hard times as a result of possible greater market opening, particularly in such areas as service and agriculture as well as in tightened intellectual property protection," Pak conceded.

The trade-industry minister described the pain of market opening and resultant procedures of industrial restructuring as "fateful," and added that the only solution will be to strengthen industrial competitiveness.

He said because the participating countries are expected to seek a package settlement of 15 major negotiation areas, a partial trade-off among conflicting interests is likely to occur.

For instance, he said, Korea may be forced to readjust its previous position on sticking to 15 NTC (nontrade concerns) items as exceptions to agricultural product import liberalization because the major negotiation counterparts have already rejected it as "sheer nonsense."

"But we will exert our utmost efforts to secure maximum exceptions and extend the grace period for items to be unavoidably open to imports, even at the expense of less imminent sectors in view of the sociopolitical effects on our farmers," Pak said.

He said, "Concessions through a certain trade-off, if inevitable, will be minimal and we won't budge beyond certain limits."

When trade liberalization is expanded on a global scale, Korean enterprises and products will make brisk advances abroad, and foreigners will also rush to the country because trade is a two-way business, Pak said. But then, it will be the general public, not the government, to actually determine the impact of liberalization, he added.

Asked whether there will be acceleration of pressure from some trade partners to further open the domestic market despite the expected multilateral agreements, Pak said Korea will be better able to weather the frictions than before because they will no longer be able to adopt unilateral measures such as arbitrary antidumping charges due to strengthened dispute settlement functions of the General Agreement on Tariffs and Trade.

When he commented on the worries about possible failure to reach an overall agreement in the Brussels meeting, Minister Pak seemed rather optimistic, saying any breakup of the talks will mean global economic chaos in the future.

"My experience as a long-time trade negotiator tells me that multilateral trade talks like these are certain to be concluded in one form or another, although at times the level of settlement falls short of initial expectations," he said. Minister Pak has spent most of his 30-year-old bureaucratic career as a trade negotiator. He confessed, however, this time will be the most difficult.

"Most burdensome for me and the delegation is the somewhat mistaken conception about Korea and its economy held by people both at home and abroad," he said.

"Because Korea is the world's 12th largest trading nation, foreigners tend to, some of whom for the purpose of stepping up pressure, regard it as an industrialized country but they should know that the country's per capita GNP is still below $5,000.

"On the other hand, most of our compatriots appear to underestimate their own country as still being one of the LDCs (less developed countries), demanding limitless protection for an indefinite period of time," he said.

Pak said, he hopes that more people will gain a better understanding of the Korean economy—both its weak and strong points—in the course of reasonable negotiations.

Brushing away the domestic criticism that Korea is an "ugly duckling" belonging neither to industrial nor to developing groups, the minister said the Korean delegates have been playing the role of active and important coordinators in many negotiating groups of the ongoing round of trade talks and will do so in the forthcoming ministerial conference.

Minister Pak will leave for Brussels today to join a 40-member Korean delegation there. The official delegation also includes Minister of Agriculture, Forestry and Fisheries Cho Kyong-sik, Ambassador to Geneva Yi Sang-ok and commissioner of Korean Industrial Protection Office Kim Chol-su.

'Special Consideration' Requested

SK0312054490 Seoul YONHAP in English 0505 GMT 3 Dec 90

[Text] Brussels, Dec. 2 (YONHAP)—South Korean delegates to an international conference of agricultural organizations on Sunday said the Uruguay Round [UR] agricultural sector should do something to help industrializing countries that are net importers of food.

They said the Uruguay Round talks, being held under the auspices of the General Agreement on Tariffs and Trade, should allow industrializing countries more time to prepare for the opening of the agricultural market and should take into account non-trade concerns such as food security, environmental preservation, job security in rural areas, balanced regional development and protection of rural cultures.

They told Korean journalists special consideration should be given to dismantling tariff barriers, cutting subsidies, raising the income of farmers and protecting their jobs.

If the talks are settled to the advantage of exporters and neglect the difficulties of importing nations, Korean farmers will reject the outcome, they said.

They said the Uruguay Round should respect every country's right to survival and reflect its interests in a balanced way.

The seven Koreans were to join with 1,000 representatives of farmers from around the globe in the international conference of agricultural organizations on the GATT negotiations and agriculture on Monday morning, timed with the GATT ministerial meeting.

Nearly 20,000 representatives of agricultural groups were to attend a demonstration following the conference, held under the auspices of the Brussels-based "Comite des Organisation Professionnelles Agricoles de la c, e," and adopt a declaration opposing the "Blind Liberalization of International Trade."

An advance copy reads: "The representatives of the agricultural organizations do not accept that the fundamental approach of the negotiations in agriculture be based essentially on commercial considerations and are opposed to the blind liberalization of international trade in agricultural and food commodities."

"This would very much upset price and market stability and would leave farm income support at the mercy of the capacity and/or willingness of governments to make available the funds required."

* Government Searches for New Economic Policy

* Policy Review Ordered

912C0019A Seoul MAEIL KYONGJE SINMUN in Korean27 Sep 90 p 3

[Article by reporter Sim Hong-sop]

[Text] The emergency signal light is on for our economy. Our economy, which since early this year has been suffering from maladies such as illicit real estate speculation, excessive consumption, and a deteriorating balance of international payments, is still unable to pull out of the turbulence due to added difficulties caused by the Persian Gulf crisis and the recent flood damage.

What is worse, indiscriminate blows to our industry are anticipated when the Uruguay Round of multinational trade negotiations are wound up, but there are no effective measures to cope with the possible consequences.

Already six months have passed since a new economic team set sail last March under the banner of tiding over the economic difficulties, but the basic economic trend remains unstable.

At last on 26 September President No Tae-u instructed the economic ministries to make a wholesale review of the nation's economic management, but there seems to be no wonder drug.

While demands made by various sectors are growing, there is not enough ability to meet all of these demands.

If the government is to seek stability, it would affect growth and employment, and on the other hand, if it is to seek growth, it would find it difficult to curb inflation. That is the agony tormenting our policy makers.

Nevertheless we have some wherewithal to tide over the present difficulties to some extent. But while running after two hares, the government's economic policy has ended up catching neither.

With only three months remaining before the end of the year, where does our economy stand? The price instability which we have feared since early this year has worsened, and our economy is losing its stamina for recovery under the pressure of the unfavorable balance of international payments, the sagging international competitiveness, and the sinking exchange market.

The Persian Gulf crisis and the flood damage have dealt added blows, making it difficult to attain the original economic goals in all indexes.e

Critics say that despite all this, our economic policy still sticks to the same pattern of trying to give a shot in the arm to minimize effects from external factors rather than diagnosing the internal condition of the economy.

The growth policy advocated by the economic team has hit its limit, and the basic foundation for stability crumbled a long time ago.

Needless to say, it is a fact that the advent of the era of high oil prices brought about by the Persian Gulf crisis has caused wrinkles to all sectors of our economy.

Despite the two oil shocks in the past, we have been careless about working out countermeasures for future shocks, and the government is still passive in its crisis management.

There were signs of instability in many aspects of our economy even before the Persian Gulf crisis.

The rate of inflation has already exceeded 9 percent and it is quite obvious that a double-digit inflation rate is inevitable.

Up to the end of August, oil price increases were not factored into the inflation estimate; accordingly, prices are expected to soar much higher in the fourth quarter.

What is worse, even real estate prices are skyrocketing, causing anxiety to the whole nation.

Despite the introduction of the perception of land for public weal, speculation in real estate is still rampant.

We have many worries about prices because despite the advent of the era of high oil prices, we have loosened our guard by spending money for local elections, increasing utility rates, and increasing budgetary outlays.

Even if oil prices are to remain at the level of $25 per barrel, it is expected that the economic growth rate will stop at 5 to 7 percent, the trade account will be $5 billion in the red, and prices will shoot up by 15 to 20 percent.

Higher wages, the loss of international competitiveness, and the swelling unfavorable balance of international payments resulting from higher oil and other prices are bound to throw the country into stagflation.

As of 25 September, exports totaled $44.67 billion, only 3.5 percent up from the corresponding period in 1989.

On the other hand, imports increased 10.2 percent to $48,359 million, resulting in a trade deficit of $3,684 million.

If the current trend continues, the trade deficit is expected to reach way over $4 billion.

In only three years from the time when we hailed the advent of a black-ink in foreign trade and prided ourselves as a credit nation, we reverted to a red-ink, debtor nation.

In addition to rising prices, our economy is faced with the immediate task of revamping its industrial structure and coping with the Uruguay Round.

Although wages are rising and the least developed among developing countries are pressing hard on us, our industrial structure remains on a low technology base. It is urgent to reorganize our industrial structure with emphasis on high added value products and build high technology-oriented industry. Yet, due to a lack of financial resources and the technological barriers, restructuring is progressing at a snail's pace.

In addition, enterprises are having increasing difficulty in raising funds and the monetary order has been thrown into chaos due to the exchange market slump.

The government is belatedly talking about measures for the Uruguay Round, but no agreement has been reached yet among the economic ministries.

Only three months remain before the conclusion of the Uruguay Round, but the general public as well as interested enterprises lack a precise understanding of what is going on in the talks and the possible ramifications of the round.

For instance, opening of the farm market has long been forewarned, but the government belatedly made a fuss about it, throwing the farmers into a panic.

It is clear that our economy stands at a cross-roads between advance and retreat.

Our current economic crisis is different in nature from what it was during the two previous oil shocks and during the last ROK-U.S. trade frictions.

All countries, both advanced and underdeveloped countries alike, and even socialist countries throwing their ideologies overboard, are absorbed in economic development. The way of survival in a cut-throat international competition is self-evident.

The economic ministries should recognize that we are in an pervasive economic crisis and jointly cope with it, avoiding disharmony.

The general public should refrain from excessive consumption and tighten their belts, and in workplaces labor-management disputes should be eliminated.

The economic crisis cannot be overcome by the efforts of any one sector.

* 'Dilemma' Over Raising Prices

912C0019B Seoul MAEIL KYONGJE SINMUN in Korean29 Sep 90 p 3

[Article by reporter Kim Se-hyong]

[Text] The government is in a dilemma over the timing for raising public fees and utility rates and oil prices.

Originally, the government vowed not to raise public fees and utility rates and oil prices this year. But the soaring oil prices due to the prolongation of the Persian Gulf crisis, and the mounting pressure for bringing public fees and utility rates in line with realities have compelled the government to review this original pledge.

The government was to consider raising oil prices this year if crude oil prices increased to $25 per barrel. Now, with crude oil prices soaring to $37 per barrel (Dubai crude benchmark), there is sufficient reason for raising oil prices within this year.

Yet, in this connection, the government has to consider the question of public trust because it announced that it would do its best to avoid oil price increases this year in the midst of an unclear prospect for future oil prices.

International crude prices, which were $17 per barrel before the Persian Gulf crisis, recently shot up to $37. But it is uncertain how long this trend will last, making it difficult to change the government's oil price policy.

Therefore, the prevailing view is that the government should wait further, on the assumption that when the Persian Gulf crisis is settled—whether after it escalates into war or it comes to a smooth end through peaceful negotiations—oil prices will fall between $22 and $25 per barrel.

Another concern is the question of public trust in government policies. On several occasions in the past, in its reports to the president following each meeting of the economic ministers and each government-party consultation session, the government reiterated its policy of "cushioning the shock with the oil price stabilization fund and not raising oil prices this year." If the government "goes back on its previous stand," the public would come to question the reliability of government policy.

According to Deputy Prime Minister Yi, at the recent countermeasures conference chaired by President No,

the five economic ministers present were in agreement that it would be awkward to go back on their previous stand.

Particularly, any oil price increase would mean the immediate abandoning of the government pledge to keep price increases within a one-digit rate.

The consumer price index increased 9 percent as of the end of September, and it is a matter of time before it rises at a double-digit rate.

Nevertheless, the government has not completely abandoned its goal of keeping price increases within a one-digit rate.

The Economic Planning Board [EPB] maintains that in view of the precedence that the price level in the fourth quarter was relatively stable, it is not impossible to keep the rate of price increase within a one-digit level if the government makes an all-out effort.

In the final analysis, the government is likely to hold out as much as possible, without raising oil prices and public fees and utility rates.

An EPB report submitted to the National Assembly said: "We planned to increase some public fees and utility rates, such as subway fares and city water rates, which have been kept low for the purpose of price stability. But what is worse, the Persian Gulf crisis and the flood damage in September have made it difficult to keep the rate of price increase within a one-digit level."

The report added, "If the Persian Gulf crisis drags on, next year we will have no choice but to raise oil prices and will shoulder many burdens in managing prices, including that of bringing public fees and utility rates into line with realities."

However, opinions against this EPB stand are aired in some government and academic circles.

They argue that at a time when all other countries are adjusting oil prices due to the sharp rise in crude oil prices, our country alone cannot keep oil prices down for long. They say that this would not only distort the pricing structure but also run counter to a strong energy conservation policy.

At a recent economic ministers conference, one of the ministers present demanded an oil price increase with these words: "As soon as the international crude oil prices rose, other countries immediately reflected it in their oil prices. Recently, I heard a high-ranking Swedish Government official saying to himself while looking down the Seoul streets glittering with bright neon signs from Lotte Hotel at night, 'What a breath-taking sight in a country that does not produce even a drop of oil!...' We should adopt a policy with confidence with an eye toward the future, even at the risk of criticism from the public."

The first round of discussion to consider the question of increasing oil prices within this year and other problems tended toward "holding out for the time being," but the argument has not been settled completely.

Deputy Prime Minister Yi said: "It has been decided that after taking an accurate diagnosis of the long-term oil price trend in late October or early November, the economic ministers will work out countermeasures for their respective ministries, and on the basis of these measures, a final economic package will be announced."

This means that more time is needed to decide the timing for readjusting prices so that they may reflect actual conditions.

Deputy Prime Minister Yi disclosed that "at present in our country, prices are not properly performing various functions they ought to perform, due to the arbitrary price structure. They say the price of one cup of coffee is equal to that of 2.5 tons of water, and this is ridiculous. From next year on, various pricing functions will be brought into line with realities and the distortions in the allocation of resources will be corrected." Thus he forewarned that there will be a rush of price increases, including increases in oil prices and public fees and utility rates.

The budget for the next fiscal year envisions the following increases in public fees and utility rates: 9 percent in tuition fees, 9 percent in express way tolls, 8.2 percent in railway fares, and 25 percent in subway fares.

Oil price increases were not factored into the projection of these increases, and most of public fees and utilities are expected to jump by 20 to 30 percent when the loss and profit statement is worked over by reflecting the new factors.

Each time oil prices rise 10 percent, wholesale prices rise 1.028 percent and consumer prices increase by 0.113 percent. If prices are readjusted on the basis of a 30 percent increase in oil prices, wholesale and consumer prices will rise by more than 3 percent.

In the final analysis, the trouble with our economy is that we cannot avoid raising prices, and the question boils down to whether the time for raising oil prices and public fees and utilities should be advanced by two months or delayed by two months.

Burma

News Conference on Burmese Students Reported

BK0112101490 Delhi External Service in Burmese 1115 GMT 30 Nov 90

[From the program "Current Burmese Affairs"]

[Excerpts] Listeners: We would like to present reports in today's issues of Indian newspapers about Ye Marn and Ye Htin Kyaw, two Burmese students who hijacked a Thai airliner to Calcutta Airport in India on 10 November as a protest gesture for the cause of democracy. Ye Marn, alias Maung Soe Myint, and Ye Htin Kyaw, alias Maung Htin Kyaw U, have sent a letter to the Indian president, Mr Ramaswamy Venkataraman, pleading him not to send them back to Burma, but to give them political asylum in India.

The two Burmese students sent their plea to the PUCL, or the People's Union for Civil Liberties in India, through the West Bengal Government. In their three-page letter, the Burmese students said that they staged the hijacking not with the intention of harming anyone but to stir the world's conscience to the grisly happenings under Senior General Saw Maung.

The plea from the two Burmese students was made public at a news conference held in New Delhi by the PUCL yesterday. The letter said the Burmese military government had carried out mass arrests of Burmese people who had expressed their desire for democracy and tortured those who have been arrested and that it has refused to transfer power to the National League for Democracy [NLD] which won the general elections.

In their letter the two Burmese students said that almost 3,000 people were brutally killed during the pro-democracy demonstrations in Rangoon during September 1988 and that universities and colleges have been closed and human rights and freedom have been lost since 1988 and that political prisoners are being detained for many years without trial. [passage omitted]

The two Burmese students appealed that they not be sent back to Burma, but to be granted shelter in India where democracy flourishes, so that they would be able raise world support for the democratic cause in Burmma.

The copies of their letter to the Indian president were also sent to the Indian prime minister and the home minister.

The top PUCL organizers said democratic Indian people cannot remain indifferent to ongoing oppression and atrocities in Burma and called on the Indian Government to consider the current conditions in Burma in making a decision on the two Burmese. They called on the government to give political asylum to the two students and to release them immediately from the Central West Bengal Jail. [passage omitted]

Two NLD Members Declared 'Abscondees'

BK0112085090 Rangoon WORKING PEOPLE'S DAILY in English 27 Nov 90 p 6, 12

[Text] Yangon [Rangoon] 26 Nov—Two NLD [National League for Democracy] leaders have been declared as abscondees, announced the authorities.

One is Tin Shwe (Monywa), member of Mandalay Division Organizing Committee of the National League for Democracy, and the other is U Maung Maung Aye, Hluttaw [People's Assembly] representative for Mandalay North-East Township Constituency-I.

The case is that Tin Shwe (Monywa) and associates met at the Mandalay Division Organizing Division Organizing Committee office on 10-8-90 to discuss matters in connection with the riot that took place in Mandalay on 8-8-90. The meeting passed a resolution to send a letter of complaint to the Mandalay Division LORC [Law and Order Restoration Council] chairman. The letter was later sent and Hluttaw representative for Mandalay North-East Constituency-I U Maung Maung Aye and his associates posted the copies of the letter of complaint on bill-boards for the public to read.

As the letter contained matters that would discredit the SLORC [State Law and Order Restoration Council] and the Tatmadaw [Defense Services] and that would make the people lose faith in the SLORC and the Tatmadaw, arrangements were under way to take legal action against them. Hearing this, the two NLD leaders absconded.

Complaints against them have been filed under Section 5 (nya)/j/kyint 512 [procedural code] of the 1950 Emergency Provisions Act, it is learnt.

Karen Insurgents Reportedly Disrupting Peace

BK0212152290 Rangoon Domestic Service in Burmese 1330 GMT 2 Dec 90

[Excerpts] KNU [Karen National Union] insurgents have been obstructing and disrupting regional peace and tranquillity and robbing cars and passengers. Accordingly, at about 0510 on 30 November, about 25 KNU insurgents stopped and robbed seven passenger buses and private cars on Kamawet-Moulmein route. [passage omitted]

The KNU insurgents directed the cars into rubber plantations and robbed the passengers of their personal jewelry and goods before departing.

Brunei, Malaysia & Singapore

Malaysia

Minister Hails Bush Offer of Talks With Iraq

BK0212083690 Kuala Lumpur International Service in English 0800 GMT 2 Dec 90

[Text] Malaysia has welcomed the United States President George Bush's offer of direct talks with Iraq on the

Gulf crisis. Foreign Minister Datuk Abu Hassan Omar described the offer as the best development toward a peaceful and diplomatic solution. Mr. Bush offered to send Secretary of State James Baker to Baghdad and invited Iraqi Foreign Minister Tariq 'Aziz to Washington in mid- December hours after the United Nations Security Council voted to authorize force to drive Iraq out of Kuwait if it refused to withdraw by 15 January.

Datuk Abu Hassan, who returned from New York yesterday, told reporters that Islamic countries and the Organization of Islamic Conference, OIC, hoped for the U.S.-Iraq talks to be held as soon as possible before 15 January. Malaysia as a member of the UN Security Council has voted for the resolution. Datuk Abu Hassan said that Malaysia has stated that should there be no resolution by the January deadline, the Security Council must again discuss the matter if the United States and its allies want to go ahead and use force. The possibility of extending the deadline depends on the Security Council, but he was convinced that the crisis would be resolved in the talks between the U.S. and Iraq.

On U.S. interests in relation to Israel's occupation of Palestine and other Arab lands, Datuk Abu Hassan said the matter was raised at the UN not only by Iraq but also by Malaysia and other Security Council members such as Colombia and Cuba. He raised the matter in his meetings with Mr. Baker in Los Angeles and New York and suggested that the issue be given equal treatment in the Security Council so that the council would not be seen as being partial. He said Mr. Baker agreed that the United States was prepared to discuss the matter as soon as possible and Malaysia hoped that the Security Council would adopt a decision on it this month.

Mahathir Says Embassy Staff To Remain in Iraq

BK0112071590 Kuala Lumpur International Service in English 0600 GMT 1 Dec 90

[Text] Malaysia will continue to retain its eight diplomats in Baghdad even though it voted for a United Nations Security Council resolution authorizing the use of force to resolve the Gulf crisis. Prime Minister Datuk Sri Dr. Mahathir Mohamed said the diplomatic staff would only be flown home in the event of war. The diplomatic staff will not be recalled because Malaysia has not broken off diplomatic relations with Iraq. He hoped the Iraqi Government would respect the diplomatic status of Malaysian personnel there. The prime minister was speaking to newsmen after the opening session of the UMNO [United Malays National Organization] general assembly in Kuala Lumpur.

On Malaysia's support for the Security Council resolution, he said the move was taken after realizing that economic sanctions so far had not been very effective and would need a long time before the measures would have any effect on Iraq.

Libyan Ambassador States Views on Gulf Crisis

BK2811100990 Kuala Lumpur BERNAMA in English 0639 GMT 28 Nov 90

[Text] Kuala Lumpur, Nov 28 (OANA-BERNAMA)—The Libyan ambassador to Malaysia, 'Ahmad 'Ali Hanesh, said Wednesday, the Gulf crisis should be solved through the direct involvement of the Arab countries and the United Nations (UN).

Libya, he said, considered all U.N. resolutions passed on th crisis, including the call for Iraq's unconditional wi drawal from Kuwait, as "void" because of the presence of American and foreign troops in Saudi Arabia. Speaking at a news conference at the Libyan Embassy here, he said all foreign troops in Saudi Arabia should be withdrawn first before the crisis could be properly settled.

'Ahmad 'Ali also issued a written statement of his views on the Gulf crisis, in which he accused the United States (U.S.) of being responsible for escalating tension in the region. He also alleged that the U.N. had become an instrument of, and "dominated" by the U.S. which was motivated solely by its own self-interests such as protecting its oil supply and strengthening Israeli expansion in the region.

Because of this, Libya has proposed that an extraordinary meeting of the U.N. Security Council and all concerned parties in the Gulf crisis be held in Geneva to discuss "securing international peace and avoiding war," he said.

The Libyan Government directed its representative to the U.N. three days ago to forward the proposal to U.N.secretary-general Javier Perez de Cuellar, he added.

Mahathir Clarifies Support for UN Resolution

BK0312065290 Kuala Lumpur International Service in English 0600 GMT 3 Dec 90

[Text] Malaysia and other Islamic nations are prepared to mediate to help resolve the Gulf crisis if the United Nations is unable to do so. Datuk Sri Dr. Mahathir said he had contacted Iraq for the matter, but there has been no response. Instead, he noted that Iraq sent more troops to occupied Kuwait and even threatened to attack Saudi Arabia.

The prime minister says Malaysia does not like the way the United States has become involved in the Gulf crisis. The country does not like U.S. involvement in the Gulf crisis because of its (?serious consequence) and Malaysia is aware of the possibility of the Tel Aviv regime making use of the situation.

Datuk Sri Dr. Mahathir was clarifying Malaysia's support for the UN Security Council resolution authorizing the use of force to drive Iraq out of Kuwait if it does not withdraw by the 15th of next month. He was winding up

the debate at the end of the UMNO [United Malays National Organization] General Assembly.

Datuk Sri Dr. Mahathir said it must be realized that Kuwait had been occupied and its people were suffering and in such a situation, they would welcome help from anyone. If the Islamic nations are prepared to send a strong force to do the job, it will not be necessary for Malaysia to support the UN resolution.

On UN economic sanctions against Iraq, which was [word indistinct] by Malaysia, he said it would take a long time to [words indistinct]. A similar embargo against South Africa has not brought positive results despite being imposed for 10 years.

The prime minister said Malaysia does not condone the action of a strong nation invading a weak country [words indistinct] and it cannot make an exception for Iraq. Malaysia supported the UN resolution as it wanted to give the opportunity to Iraq to move out from Kuwait within 45 days and wanted the Gulf crisis to end as soon as possible.

'Clear' Reasons Seen for UN Vote Against Iraq

BK0312101490 Kuala Lumpur International Service in English 0800 GMT 3 Dec 90

[John Doraisamy commentary]

[Text] The Malaysian Prime Minister Dr. Mahathir Mohamed has given clear and convincing reasons for Malaysia's support for the UN Security Council resolution against Iraq. Among other things, the prime minister cited Malaysia's insistent policies of condemning acts of aggression. Malaysian public opinion has recorded a similar posture.

Malaysia is itself a small country. It has had the grim experience of being threatened both internally and externally on previous occasions. During the confrontation era in the early 1960's, it was the UN Security Council that Malaysia went to for protection against threats from a larger neighbor. Therefore, the Malaysian community fully sympathizes with the Kuwaiti people in their hour of anguish. Malaysia values good relations with all Islamic states. The firm decision against Iraq was, therefore, not an easy one to take—to quote Dr. Mahathir. However, Malaysia is also mindful of the serious responsibilities it shoulders as a member of the UN Security Council. Although there must have been much diplomatic activity and exchange of views, they cannot be publicized in keeping with normal diplomatic (?instances). Malaysia's vote is a vote for justice, fair play, and plain good service. Malaysia cannot and will not abdicate its duty and obligation to act responsibly.

The UN Security Council resolution is, of course, a very significant development in the continuing Gulf crisis. With the exception of two non-permanent members and abstention on the part of China, there was a strong position against Iraq. The Iraqi president and his advisers must take note of the consequences of the Security Council's decision. Fortunately, Baghdad has now responded by expressing its willingness to hold talks. The whole world will now be hoping and praying that there will be genuine talks and that the outcome will be peace. In situations like these, there is no guarantee that anything worthwhile will emerge.

Iraq has been given up to the 15th of January to withdraw from Kuwait. This is an eminently reasonable ultimatum. Whatever territorial claims or disputes there may be and whatever the validity of Iraq's grievances, the use of force has to be abandoned. The UN Charter is clear on this case. Peace in west Asia is vital in view of the region's abundant energy reserves. The welfare and well- being of the entire world is linked to the Gulf crisis.

The stalemate has dragged on for four months. The time has come for a speedy settlement. The Malaysian community would also like to see a credible [word indistinct] of the Palestinian issue. Malaysia will do its duty as a responsible member of the family of nations.

Oil Production Increased Due to Gulf Crisis

BK2811100590 Kuala Lumpur BERNAMA in English 0445 GMT 28 Nov 90

[Text] Malaysia has increased its daily production to help meet part of the crude oil shortage following the Gulf crisis. Deputy Minister in the Prime Minister's Department, Wong See Wah said Tuesday, previously, Malaysia produced 595,000 barrels per day but production has increased by 55,000 barrels after the crisis.

Malaysia's current oil reserves stood at 3.1 billion barrels and 650,00 barrels of oil are being produced daily, he said at the opening of the two-day petroleum geology seminar 1990. About 400 scientists from around the world are attending the seminar.

However, Wong said the high production rate, while contributing to the national income, means the oil will only last for 13 years. To conserve the depleting resource, the government has implemented the national depletion policy, formulated in 1983.

Malaysian oil explorers are confident of more discoveries following findings by Indonesians offshore Brunei and in the South China Sea. Future plans for exploration also include the deep-water areas that have yet to be drilled.

Oil Revenues Projected To Increase Next Year

BK2811101190 Kuala Lumpur International Service in English 0600 GMT 28 Nov 90

[Text] Malaysia's external earnings from oil next year have been projected to grow to 14,600 billion ringgit from about 11,200 billion ringgit in 1990. The increase in oil revenue is due to soaring oil prices and higher export volume following the Gulf crisis.

A leading stockbrokering firm, Arab-Malaysian Securities, said the projection was made on the assumption that oil prices settled at US$30 per barrel in 1991 following the prolonged crisis in West Asia.

Indonesia's Mina's benchmark crude is priced at US$3.57 a barrel this month bringing its average price to US$33.18. THE JAKARTA POST daily said Mines and Energy Minister Ginanjar Kartasasmita made the decision after meeting Indonesian President Suharto in the capital city.

Lee Kuan Yew on Singapore-Malaysia Relations

BK2411124590 Kuala Lumpur BERNAMA in English 1005 GMT 24 Nov 90

[Text] Kuala Lumpur, Nov 24 (OANA-BERNAMA)—Outgoing Singapore Prime Minister Lee Kuan Yew singled out Saturday the country's separation from Malaysia in 1965 as his greatest regret during his 31-year premiership.

"I don't think there was a bigger disappointment in my life", he told a press conference here.

He had earlier together with his Malaysian counterpart Dr. Mahathir Mohamed witnessed the signing of the water and gas agreements between the two countries at the Prime Minister's Department.

The 67-year-old leader, whose birthday incidentally falls on 16 September—the date that Malaysia was formed in 1963—will hand over the premiership to his deputy Goh Chok Tong on Wednesday, ending his term as the world's longest-serving prime minister.

"My greatest regret is that our major or basic political objective, namely the merger with Malaya to form Malaysia, failed and we had to leave, he said in reflecting on the historic day on 9 August, 1965 when then Malaysian Prime Minister Tunku Abdul Rahman announced the separation of Singapore from the federation over irreconcilable political differences.

On the other hand, he said he would count as his greatest achievement a successor government in Singapore that was able to carry on as well if not better.

"That would be the most major or prized achievement," said Lee, who was flanked by Goh and acting Foreign Minister S. Dhanabalan during the 20-minute press conference.

Lee, Goh, and Dhanabalan arrived here Saturday, for a one-day visit.

Asked if the close bond that he had established with Dr. Mahathir would help in future relationship between the countries, Lee said: the personal chemistry between two men is something which cannot be duplicated.

But he added the years in which they had been able to speak frankly and confidently to each other had led to growing trust and confidence to enable a broader range of relationship to be established between Singaporean ministers and officials and their Malaysian counterparts.

Johor Congratulates Singapore's Goh Chok Tong

BK2811155190 Singapore Domestic Service in English 1400 GMT 28 Nov 90

[Text] Johor's Menteri Besar [Chief Minister] Tan Sri Haji Muhyiddin has sent congratulations to Mr. Goh. He expressed confidence that the existing close relations between Johor and Singapore especially in the economic field will continue under Mr. Goh.

Tan Sri Haji Muhyiddin also thanked Mr. Lee Kuan Yew whom he said laid foundations for closer cooperation since he became Menteri Besar.

Editorial Views Installment of Singapore Premier

BK0112095490 Kuala Lumpur NEW STRAITS TIMES in English 29 Nov 90 p 12

[Editorial: "One Man is An Island"]

[Text] For three decades the fortunes and development of Singapore have been closely associated with the resolute will of one man—Lee Kuan Yew. With all due respect to Goh Chok Tong, the new Prime Minister, events and development in Singapore in the near future will still bear the imprint of the stern beliefs of Mr Lee.

It is not just a question of inheriting manners and methods which have been firmly planted in Singaporean society for so many years and which have directed its phenomenal growth. It is also the fact that Mr Lee is not stepping down; merely stepping aside to become Senior Minister, a post that is ranked just after that of the Prime Minister. It is highly unlikely that Mr Lee will treat the position as a mere sinecure. It is not in his nature.

Also, just further down the political road is the office of elected President with more than ceremonial responsibilities. Mr Lee has offered assurances that he will not be the first person to hold that office. That promise will be kept if the relevant legislation is passed by Parliament before President Wee Kim Wee finishes his current term.

Compounding the issue of the change of leadership is Deputy Prime Minister and Minister for Trade and Industry, Lee Hsien Loong. No amount of fervent disavowal will persuade people to stop regarding Hsien Loong as a Prime Minister-in-waiting. Much is made of the collective wisdom and deliberations of the Cabinet, but it is difficult to give much weight to the idea of a leadership team of equals when one man has been an island for so long.

Such speculation may not be fair to Prime Minister Goh who now has the opportunity to get Singapore to adopt a gentler mien. The constant harping on Singapore's vulnerability and the slim margin it has for error is becoming increasingly difficult to sustain in the light of Singapore's noteworthy achievements and success. The

material benefits accruing from the no-nonsense governance of Singapore's resources and society will be taken for granted and devalued as more and more educated Singaporeans question the Government's treatment of them as political innocents.

Even without the abiding fears of Singapore's pioneer generation of leaders that the premier interests of society will be threatened by an effusion of individual quirks, it will not be easy to get Singaporeans to be less uptight. The failure of Government-inspired campaigns to get Singaporeans to express themselves joyously in song and dance is a clear illustration of the fact that certain attitudes simply cannot be conducted.

Not that Singapore needs to or will suddenly rush into individual hedonism. Of all the positive virtues that Lee Kuan Yew has ensured will permeate Singaporean society, efficiency and an intolerance of less than the best are the two qualities which will endure long after the giant shadow of Mr Lee has merged with the shade of real retirement.

There is no real need for Prime Minister Goh to assert an independent course because Singapore places a high premium on stability. The changeover of leadership was a process long and methodical in its preparation. Prime Minister Goh's Cabinet remains unaltered from the previous (except for the creation of a new Ministry of Information and Arts). There is no reason to alter fundamental relations within ASEAN. The occasional awkwardnesses between Singapore and Malaysia are heavily outweighed by the many links between governments, the business communities and peoples.

All Prime Minister Goh and his Cabinet colleagues need to do is to maintain the present course, while gauging how much room to allow the restive maturity of Singaporeans. Toughness is a virtue only when threats abound. But all societies must mutate and change. That is not a threat. That is just a challenge for Singapore's new leaders.

Visit of Fiji's Prime Minister Continues

Fiji Seeks Closer ASEAN Ties

BK2811083190 Kuala Lumpur BERNAMA in English 0309 GMT 28 Nov 90

[Text] Kuala Lumpur, Nov 28 (OANA-BERNAMA)—Fiji wants to work closely with Malaysia and the other ASEAN countries to enhance economic relations, its Prime Minister Ratu Sir Kamisese Mara said Tuesday.

In Malaysia, for example, there is much of relevance in smallholder agricultural systems, in coconut and coconut hybrid production, agro-processing, aquaculture, forestry and small-scale and light industries.

Malaysia, as our second largest buyer of sugar, is a valued trading partner, he said in a talk at the Institute of Strategic and International Studies (ISIS) here. He said the mainstay of the Fijian economy was sugar and tourism, and as a developing country, Fiji relied heavily on foreign trade, capital and expertise for its development.

Ratu Mara said Fiji could serve as a hub and re-export point for goods from Southeast Asia, which could provide most of the products needed by the country and the other Pacific island countries.

Collectively, the Pacific island states imported over U.S. $1 billion worth of goods a year, most of which comes from Australia and New Zealand, and some from Europe. Up to now, much of the economic development in Fiji has been due to bilateral aid from private sector investments from Australia and New Zealand, said Ratu Sir Kamisese.

While they have made significant contributions in areas such as trade, shipping, air services, banking and tourism, this has also made us very dependent on these two countries. Although we have welcomed this partnership, we believe the time has come for us to reduce this high level of dependence.

Ratu Mara Speaks at ISIS 27 Nov

BK2711135090 Hong Kong AFP in English 1055 GMT 27 Nov 90

[Text] Kuala Lumpur, Nov 27 (AFP)—Fijian Prime Minister Ratu Sir Kamisese Mara said here Tuesday that the South Pacific island nations need to reduce their dependence on Australia and New Zealand and seek ties with Southeast Asia.

Ratu Mara said that there was an increasing realisation among many South Pacific Forum countries that Australia and New Zealand did not fully understand them and their particular problems.

The Fijian premier, who is here on a six-day visit, was speaking to diplomats, scholars and government officials at the independent Institute of Strategic and International Studies [ISIS]. He said that although there had been improvement in relations in recent months, Fiji believed that there was a serious need for it to re-examine its policies and alliances.

"While Australia and New Zealand have made significant contributions in areas such as trade, shipping, air services, banking and tourism, this has made us very dependent on the two countries," Ratu Mara said. "Although we have welcomed this partnership, we believe that the time has come for us to reduce this high level of dependence," he said.

"We consider that on the one hand island countries of the Pacific need to come closer together and on the other, they ought to look more to Southeast Asia for cooperation in their common endeavours.

"New sources of trade, aid and cooperation will also reduce our excessive vulnerability to events in (Australia

and New Zealand) such as inflation or industrial actions, some of the latter in fact having been specifically directed at Fiji," Ratu Mara said. He suggested that an annual meeting of the Association of Southeast Asian Nations (ASEAN) with the forum countries could be instituted, alternating in the Pacific one year and in the Asian region the next.

ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

Ratu Mara also spoke of the Pacific island countries being long left out of major regional economic alliances, although some of them had been later included as an afterthought. "We are no longer going to accept being left on the sidelines, a situation described in the past as benign neglect... We deserve and intend to be part of the emerging new world economic order," he said.

Earlier Ratu Mara defended the military coup that deposed an elected Indian-dominated government in 1987 saying that it was no more than a "visible expression of the fears and concerns of ethnic Fijians for their future culture, security and identity as a race."

"Events since 1987 have clearly demonstrated that the indigenous Fijians have not the slightest intention to suppress other communities nor do they wish to deprive them of basic fundamental human rights," he said.

Mahathir Offers More Training

BK2711070490 Kuala Lumpur International Service in English 0600 GMT 27 Nov 90

[Text] Datuk Sri Dr. Mahathir Mohamed has offered Fiji more training programs under Malaysia's technical cooperation program. The prime minister said Malaysia is deeply committed to the concept of economic and technical cooperation among developing countries.

He was speaking at the dinner he hosted in Kuala Lumpur in honor of the visiting Fijian Prime Minister Ratu Sir Kamisese Mara. Datuk Sri Dr. Mahathir said that Malaysia's hosting of the first summit of the Group of 15 in June justisfied his committment. He also welcomes the initiaves and efforts toward establishing dialogue and cooperation between ASEAN and South Pacific Forum countries.

Datuk Sri Dr. Mahathir said despite the ad hoc committee, there is a lack of substance in the relations between the two regional groupings. He added that in promoting this cooperation, it will be more prudent to concentrate on practical projects that will contribute peace and prosperity in the region.

Prime Minister Ends Visit 29 Nov

BK2911100690 Kuala Lumpur BERNAMA in English 0855 GMT 29 Nov 90

[Text] Kuala Lumpur, Nov 29 (OANA-BERNAMA)—Fiji, which now imports most of its food and equipment from Australia and New Zealand, is looking towards Malaysia as an alternative source for these materials, Fijian Prime Minister Ratu Sir Kamisese Mara said Thursday.

Ratu Sir Kamisese, who ends a six-day official visit to Malaysia Thursday, said he found that Malaysia possessed all the goods Fiji imported from Australia and New Zealand.

"The quality is just as good, if not better. It's just the distance that is greater," he told a news conference here.

Fiji hoped to establish annual trade consultations with Malaysia to follow up on this, he said. He added that as a start, Fiji was keen on entering into an agreement with Malaysia for the supply of 10,000 barrels of "tapis" crude daily, initially. Australia is currently Fiji's main supplier of petroleum.

To improve communication links, he said Fiji also hoped to open up shipping ties with Malaysia. The two countries have signed an air services agreement.

Ratu Sir Kamisese, who met Malaysian leaders including Prime Minister Dr. Mahathir Mohamed, said discussions focused on maintaining the existing good relations between the two countries.

Fiji, which receives assistance from Malaysia under the Malaysian Technical Cooperation Programme for South nations, has requested training for its indigenous entrepreneurs, he added.

Fiji also hoped to attract more Malaysian investment, he said. Malaysia and Fiji established diplomatic relations in 1972.

Ratu Sir Kamisese, who is here on his sixth visit to Malaysia since 1961, said he was impressed with the development that had taken place in Malaysia. Fiji and Malaysia experienced similar problems regarding the indigenous and immigrant populations which "the Malaysian Government has been able to solve better than we have," he said.

"We'd like to follow in their footsteps," he added. Unlike in Malaysia, however, ethnic Fijians are outnumbered by the immigrant population and parity is only expected to be achieved this year.

A military coup by Fijian Army Chief Colonel Sitiveni Rabuka in October 1987 overthrew the Indian-dominated government and Fiji was declared a republic, leading to its expulsion from the Commonwealth at the Vancouver summit.

Malaysia was one of the countries which tried to prevent Fiji's expulsion from the grouping. Ratu Sir Kamisese said re-entry into the Commonwealth was of "no urgency" to Fiji at the moment.

Ratu Sir Kamisese leaves for Singapore Thursday night. He is accompanied by his wife, Lady Lala Mara. His

entourage includes Education, Youth, and Sports Minister Filipe Bole and Foreign Ministry Permanent Secretary Robin Yarrow.

Mahathir Opens UMNO General Assembly 30 Nov

BK3011135590 Kuala Lumpur International Service in English 0800 GMT 30 Nov 90

[Text] Prime Minister Datuk Sri Dr. Mahathir Mohamed was today declared as having been elected unopposed as president of UMNO [United Malays National Organization] for the next three years. The party's permanent chairman, Tan Sri Sulaeman Ninam Shah, said that Deputy Prime Minister Ghafar Baba was also returned unopposed as the party's deputy president. He made the announcement at the UMNO General Assembly in Kuala Lumpur. Three thousand five hundred and nineteen delegates will vote this afternoon for three vice presidents and 25 Supreme Council members.

Earlier, in opening the General Assembly, Datuk Sri Dr. Mahathir expressed concern that more people are joining politics for personal gain instead of wanting to serve the people. He said this will be the source of weakness and disunity in a party, including UMNO. The prime minister also said the government will not hesitate to act against anyone who goes against the law even if it is accused of suppression. He was speaking about Sabah and especially on the alleged instigation of the people by the Parti Bersatu Sabah [Sabah United Party].

On Kelantan, he said the federal government will not go out of its way to help the state government. Datuk Sri Dr. Mahathir said it was up to the PAS [Pan Malaysian Islamic Party] government in the state to fulfill all the promises it made in the last general elections. He also said that a claim that Brunei would help the Kelantan Government was not true.

Mahathir: Rulers Not Free To Do As They Like

BK0212145090 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 2 Dec 90

[Excerpt] The UMNO [United Malays National Organization] general assembly has ended. All proposals have been passed. All problems raised by delegates, have been addressed and settled. We are now going to the Putera World Trade Center to join colleagues at the mini-studio to follow reports on the session.

[Begin recording] [Kamaruddin] Thank you! The 1990 UMNO General Assembly passed a special petition on the rulers and the Constitution. Winding up the discussions, Party President Datuk Sri Dr. Mahathir said the Constitution and laws cannot save the governmental system. Instead, good deeds arising from the system and the people's support will give it sovereignty. He also touched on the Agitation Act. He said the people should be given freedom to criticise provided the criticisms are clearly made.

[Mahathir] The Agitation Act also prohibits the public from the trends to agitate, not only against rulers but also the government. The government, however, is open to criticism. The government rarely refers anyone to court under the Agitation Act despite the many and frequent charges levelled by individuals, groups, and the media against it—charges which could lead to the people's antipathy against the government. These are trends toward agitation. Baseless charges that the government is involved in corruption have certainly caused the people to hate and desire for the government to be toppled. But the present government has not used the Agitation Act to save itself. The present government will take action only if these charges clearly incite rioting and chaos. Thus, it is clear that even though the government could use the Agitation Act to silence its opponents and stop all activities which could cause antipathy against itself, it is reluctant to because it needs to recognize the people's feelings and their criticisms. If there are no direct criticisms against the government, it will continue to repeat the mistakes it has already made. Thus, people's antipathy against the government will increase in such a manner that it may no longer be controllable one day and precipitate a rebellion to overthrow it. This being the case, despite the Agitation Act, the people must be given the freedom to criticise and these criticisms should be clearly made. Criticisms from one or two persons will probably be regarded as personal and not public views. The people and certainly UMNO members must be given the opportunity to openly voice what they have in their hearts without being severely restricted by the Agitation Act. [applause]

Under the federal Constitution and laws of Malaysia, the rulers are protected from legal action. According to the following provisions, no ruler in his capacity as the ruler of a state or in his personal capcity can be tried in any court. However, this does not mean that rulers are free to do what they like. This freedom is also limited. According to the unwritten understanding, freedom does not mean that a ruler can steal, or kill, or commit crimes. Protection from legal action is accorded to a ruler based on the conviction that he will not deliberately and excessively do something prohibited by law. Maybe people will keep quiet if there are only one or two violations. But, people will not accept repeated and deliberate violations of laws. A ruler has influence. Some people may want to use his influence. Thus, should someone criticize a ruler for the sake of preserving the rulers' position, certain people may take the opportunity to create antipathy in the ruler against the critic. In politics, should a responsible person criticize a ruler, this may be used by the political enemy of the critic to gain the ruler's support and sympathy so that he can use the ruler's political influence. Due to this risk, those who should advise a ruler on a certain issue do not want to give the necessary advice. Thus, a ruler may not be aware of the people's feelings regarding his actions. Once again, the ruler may not stop what he has been doing. This being the case, even though the Agitation Act and custom would prohibit people from taking action, their

anger would build up. This may lead to an act to abolish the monarchy. Our intention and objective is to warn certain groups as early as possible against existing deviations and the danger of these deviations. [applause] We are convinced that if these groups are not criticized, they will continue their actions. This will lead to stronger criticisms which will in turn worsen the situation or may prompt those [words indistinct] to take action which may not be easily checked. The ultimate and real objective of our discussions is to save the constitutional monarchy system in Malaysia. The Constitution and laws cannot save whatever government system anywhere. Only good deeds arising from, and the people's continued support for, a system can save this system. Thank you! [end recording] [passage omitted]

Kelantan, Sabah Ministers Barred From Meetings

BK2811132990 Kuala Lumpur BERITA MINGGU in Malay 11 Nov 90 pp 1, 2

[By Zamzam Omar]

[Text] Kuala Lumpur—The chief ministers of Kelantan and Sabah will not be invited to attend any future meeting of the chief ministers.

Prime Minister Datuk Sri Dr. Mahathir said coordination between the central government and the two states would be carried out through the ministers who are currently in the central government and representing those states.

He said: "The meeting of chief ministers is not based on any mandatory law but is held to coordinate relations between the central government and the states which are in the Barisan Nasional [National Front—NF]. We only invite certain states. We did not invite the chief ministers of Sabah and Kelantan for this meeting. On the other hand, we will continue maintaining normal relations with the two states through the ministers representing them. Sabah is represented by Tan Sri Sakaran Dandai, minister of lands and cooperatives development, while Kelantan is represented by Senator Annuar Musa, minister of youth and culture. The two ministers will attend all future meetings between the central government and the chief ministers."

Speaking at a news conference after chairing the first meeting of the chief ministers after the general election, the prime minister said Haji Nik Aziz Nik Mat, the Kelantan state chief minister and Datuk Sri Pairin Kitingan, his Sabah counterpart, are not eligible to attend the meeting.

According to him, no such meeting was ever held between the central government and the chief ministers before 1970. He said: "Such meetings were only held after 1970 when the NF was in control of all the states. When Parti Bersatu Sabah (PBS) took over Sabah, its leader showed interest in attending such meetings even though the party had not yet joined the NF. However, it would be difficult to ask PBS to attend such meetings after it opted out of the NF."

The three-and-one-half-hour meeting resulted in an agreement to reduce bureaucracy, particularly in obtaining various business licenses in the country. The prime minister cited an example of the requirement for 30 different licenses by a hotel or factory to operate different businesses. For example, a hotel that has about 30 television sets would definitely need 30 television licenses aside from licenses for the sale of beverages and so on.

As such, he said the government agreed to annul certain licenses that are considered insignificant in an effort to further simplify the government's dealings with the public.

The prime minister said: "In this connection, the Malaysian Administration Modernization Unit (MAMPU) proposed that the bureaucratic process be reduced to a simpler process whereby an industry's applications for licenses may be listed on only one form. Applicants need not go repeatedly to the same office to meet different officials. It would be reasonable to meet only one official for such applications."

Datuk Sri Dr. Mahathir said, in addition to this, that the meeting resulted in agreement that each state should have standard conditions on the provision of lands for the gas pipeline project. Among other things agreed upon was that the provision of lands should be only meant for the gas pipeline project and not for any industrial or agricultural project.

Minister Sued for Remarks Against Sultan

BK0112140890 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 1 Dec 90

[Text] In Melaka today, the Socialist Youth Movement of the DAP [Democratic Action Party] filed a police report against Defense Minister Datuk Sri Najib Tun Razak for inciting public sentiment against the state rulers. Lim Guan Eng, head of the movement, filed the report at the Central Melaka Police Office this afternoon.

Lim said in the report that in his capacity as head of the UMNO [United Malays National Organization] Youth Wing, Datuk Sri Najib had spoken against the Sultan of Kelantan. The remarks against the Sultan of Kelantan appeared on page 32 of the 30 November edition of ASIAWEEK magazine as well as during the UMNO General Assembly in Kuala Lumpur on 29 November.

Lim said he had also filed a police report against Encik [Mr.] Mohamed Nasri Tan Sri Abdul Aziz, a member of the UMNO Supreme Council, for openly insulting the Sultan of Kelantan as carried by the newspapers on 30 November. Lim said both men had violated the Sedition

Act and had also refused to heed the warnings on the matter issued by Inspector General of Police Tan Sri Haniff Omar.

Ghafar Views Public Support, UN Resolution

BK2911093490 Kuala Lumpur International Service in English 0800 GMT 29 Nov 90

[Text] Mr. Ghafar Baba has called the people to give their support to the Barisan Nasional and not the oppositions if they want prosperity, peace, and unity in the country. The deputy prime minister who is also the deputy president of the United Malays National Organization, UMNO, said only the Barisan Nasional could ensure these objectives. On the other hand, the oppositions could only be a hindrance to government's efforts in uniting the various races in the country. This is evident in the recent general elections where the oppositions only contested in areas with the majority of a particular race.

Mr. Ghafar was opening the UMNO youths and women general assemblies at the Putra World Trade Center in Kuala Lumpur this morning. The deputy prime minister said it was the aim of the government to assist the poor irrespective of their race so that the country's wealth could be shared fairly. He said this is the most effective approach to bring about racial harmony. Every individual should have the sense of responsibility and sincerity in efforts to strengthen the unity to ensure the well being of future generations.

Speaking to newsmen later, Mr. Ghafar said the Cabinet has asked for further information from Malaysian representative in the United Nations before making a decision on security in the council resolution on the use of force in the Gulf crisis. The deputy prime minister said the matter is a serious and complicated one and may have serious implication. In view of this Malaysia will be extremely cautious before making a decision.

The deputy prime minister was answering questions posed by newsmen after opening the youths and women general assembly. He said the minister of foreign affairs, Datuk Abu Hassan, who is now in New York will submit a report to the government on the matter. Mr. Ghafar also said that he had sent a letter to all component parties of the Barisan Nasional regarding the applications by the Sabah-based party—Angkatan Keadilan Rakyat, AKAR, to join the coalition. The final decision will be made later this week.

Regarding the application by another Sabah party, LDP [Liberal Democratic Party], Mr. Ghafar, who is also the sectretary-general of Barisan Nasional, said he had referred the matter to the Malaysian Chinese Association, MCA.

Regarding his call that more Chinese youths join organizations, Mr. Ghafar said that this will help foster unity. At present Chinese participation in youth organizations is small and this hampers cooperation between the various races.

Singapore

Goh Chok Tong Congratulates Britain's Major

BK0112144690 Singapore Domestic Service in English 1400 GMT 1 Dec 90

[Text] The prime minister, Mr. Goh Chok Tong, has congratulated Mr. John Major on his appointment as prime minister of Britain. In a letter, Mr. Goh said it is a happy coincidence that both he and Mr. Major had assumed office on the same day, although the circumstances were different. In Singapore, the leadership had been planned carefully over the years, while Mr. Major had assumed office in a more dramatic manner.

However, Mr. Goh said the overwhelming endorsement by Mr. Major's colleagues and competitors was a tribute to the confidence he enjoyed and he was confident that Mr. Major [words indistinct] the new challenges as prime minister with the same flair and distinction he had displayed as Chancellor of the Exchequer.

Mr. Goh said he would be visiting London next month for a Commonwealth meeting. He looks forward to meeting Mr. Major then and to make [words indistinct] existing close ties between Singapore and the United Kingdom.

Cambodia

Hun Sen Gives Press Briefing on Situation

BK0112140590

[Editorial Report] Phnom Penh Domestic Service in Cambodian at 0430 GMT on 30 November carries a recorded report of a press briefing given by Hun Sen in Phnom Penh on 29 November.

Hun Sen begins by saying: "I would like to reiterate my decision not to attend the Cambodian quadripartite meeting, as invited by Samdech Sihanouk. This does not mean that I want to obstruct a political settlement. On the contrary, my only desire is to consolidate all political solutions in conformity with past negotiations and subsequent agreements. This is all I have to say. If any of you want to ask questions, I am ready to answer them."

In answer to a foreign journalist's question, Hun Sen says that Hor Namhong's trip to Paris had two purposes: first, to get information on the outcome of the meeting between the Big Five and the cochairmen of the Paris International Conference on Cambodia (PICC) and to discuss the reconvening of the PICC; and second, to appear in a French court to settle his personal business concerning a libel case with Prince Sihanouk.

Asked by a journalist about his relations with the Khmer Rouge, Hun Sen reiterates his call for the political and military dismantling of the Khmer Rouge, and adds: "Now, despite the participation of the Khmer Rouge in the Supreme National Council (SNC), our official position remains unchanged: In whatever case, in whatever solution, there must be a guarantee for the nonreturn of the genocidal Pol Pot regime. As the representative of the State of Cambodia's government, I would never sign any international agreement on Cambodia that does not mention the nonreturn to power of the genocidal regime."

"Is it the wish of the Phnom Penh government or the desire of Western governments, ASEAN governments, or China for us to accept a few Khmer Rouge leaders in the SNC? Although some Western countries are opposed to the presence of the Khmer Rouge, for the sake of their good relations with China, they have demanded that the Khmer Rouge be included in the solution of the Cambodian problem. What choice do we have?

"When we refused to accept those representatives of the Khmer Rouge in the SNC, people accused us of blocking the political settlement; but when we accepted them, people worried about the so-called Red solution, that is, about the alliance between the Polpotist Khmer Rouge and Phnom Penh.

"Let me stress here that this is a misunderstanding. Relations between the Phnom Penh government and the Khmer Rouge can only exist with those who have abandoned the Polpotists and are opposed to Pol Pot's policy of genocide. We have adopted and are implementing a lenient policy toward not only those misguided by Samdech Sihanouk and Son Sann, but also those who have deserted from the ranks of Pol Pot and returned to the national fold. We have carried out and are carrying out this policy so that they can return to the national society on the condition that they join with the Cambodian people in opposing the return of the genocidal Pol Pot regime."

Asked about the "political bearing" of a flight to Phnom Penh made recenty by a private French company, Hun Sen says: "Though we do not consider this as a move that would promote the political image of the Phnom Penh government, it certainly bears some political significance in the relations and contacts between Cambodians and the French and other peoples."

Hun Sen is asked if he feels an agreement with the Khmer Rouge is any closer than it was at this time last year, and if not, is he prepared to wait for one. He says: "One thing needs to be considered: the different interpretations of the Big Five framework document. This variance in interpretation centers mainly on the question of dismantling the government of the State of Cambodia. This is what I would call the recurrence of an old disease which would keep us away from an agreement. But I would like to stress that to this hour I have not received any document of the just concluded meeting of the Big Five and PICC cochairmen. Some interpretations, however, concern me. I have also predicted that the Paris meeting would be a failure, 99.99 percent, if there was an attempt to raise the question of dissolving the current Cambodian Government and replacing it with the SNC which includes the Polpotists among its members, or to place Cambodia under the complete control of the United Nations."

He says that free elections are the key to a political solution in Cambodia, and adds: "Therefore, all efforts should be concentrated on holding an early election organized and controlled by the United Nations."

In answer to how long he is willing to wait for a settlement, Hun Sen says: "Let me tell you, we have waited for 11 years now. We can continue to wait. If not for another 11 years, maybe half that time."

Hun Sen then discusses the economic situation in the country, but attributes the difficulties to the fact that his country is at war. With regard to cuts in aid from East European countries, he says they have hurt but have not strangled the country.

He then discusses the possibilities of a political solution with the Khmer Rouge, and says that if one is not reached Cambodia has sought both military and economic measures to cope with these possibilities. He says: "My position on Cambodia is that we will never declare a general mobilization or state of emergency to requisition the people's property to fund the war. The government, however, will do every other thing in order to overcome difficulties in case war continues and foreign aid is cut. We will take various economic measures and will absolutely avoid resorting to general mobilization or state of emergency."

Hun Sen is asked to confirm or deny claims that there were direct talks between the Phnom Penh government and the Chinese Government. He says: "I also have nothing to hide about our contacts with China because of some widespread press revelations made in Bangkok concerning the meeting in Jakarta between a Cambodian deputy minister and the Chinese delegation coming to monitor the Jakarta conference, and another meeting between Cambodian Deputy Foreign Minister Sok An and the charge d'affaires of the Chinese Embassy in Bangkok. All this is now history.

"However, I would like to stress that the contacts between the Chinese Government and Phnom Penh have been made within the framework of the SNC, which is different from the U.S.-Cambodian contacts. The meeting in Jakarta was held just a few hours after the formation of the SNC. Chinese leaders also stated that after the establishment of the SNC they would contact all Cambodian factions within the framework of the SNC which, incidentally, also includes the Phnom Penh government. Therefore, it would not be a surprise if contacts between us and China resume. However, it is not true that Sok An went to China. This is pure

speculation on the strength of Sok An's past contacts with the Chinese delegation and charge d'affaires.

"I would like to inform you that we are ready at all times to go into either direct contact and talks with the U.S. and Chinese Governments or contacts within the framework of the SNC to which we belong."

When asked about the harder line detected in the joint document issued last week in Jakarta by the Cambodian, SRV, and Lao leaders, Hun Sen says: "In the past few days, there has been some misinterpretation of the stance adopted by the Phnom Penh government. I would like to stress that we accepted the Big Five framework document in Jakarta and clearly stated that it would be further elaborated at the PICC. However, the interpretation of this framework document by each faction was made to serve its own desire for advantage in the Cambodian solution. The interpretation by the other Cambodian side, let me tell you, is arbitrary. It is necessary for me to clarify it to avoid misunderstanding among Cambodians. Such an arbitrary interpretation is unlawful. Some passages, admittedly controversial, have been willfully misinterpreted. Yet, they also willfully misinterpreted some perfectly clear passages."

Hun Sen then discusses Sihanouk's interpretation that the document wants Sihanouk to be chairman of the SNC. Hun Sen says that he insisted that Sihanouk's group play fairly and that the Jakarta document is a very important document and therefore Sihanouk cannot be allowed to violate it.

Hun Sen invites journalists to read the document and try to find the passage that says Sihanouk has to be SNC chairman and its 13th member. He says: "I respect Samdech Sihanouk, and I want him to be the chairman; but such a serious violation of the document is unacceptable. It is unequal and unfair."

Concerning a role in the UN, Hun Sen says: "I would like to inform you clearly that at this hour, if the Khmer Rouge return to the UN seat, I will immediately announce that we will not accept it." He adds: "We have thus stopped objecting to the UN role. This is based on UN respect for Cambodia's sovereignty. What we want is for the UN Charter to be respected."

Hun Sen says that he examined the United Nations' role in a Cambodian civilian administration. He says: "It is clear on this point that Cambodia will not be under the control of a UN government in Cambodia. However, the United Nations will receive some rights handed over by the SNC, namely the supervision of the implementation of international agreements on Cambodia and the organization of elections in Cambodia. Concerning issues relating to the civilian administration, I myself wrote to Soviet Foreign Minister Shevardnadze before the five permanent members met. At that time, we took into account demands made by others who want to put five ministries under UN control: the Ministries of Information, Finance, Defense, Interior, and Foreign Affairs. I have said we are not in the habit of allowing the United Nations to administer any country or part of it. The UN Charter does not allow this, not even in a colonial territory such as Namibia. Therefore, the United Nations certainly cannot be in charge of these five ministries. Out of concern for other people's views, we proposed through the Soviet Union that we agree to a supervision of how these five ministries are run. This is the UN connection with the civilian administration. We are not retreating from this, but there should be a clear distinction between the duty to supervise and organize elections and the duty to administer like a government."

Hun Sen adds: "Cambodia is an independent and sovereign country. Can it hand over its administration to the United Nations? Allowing the United Nations the duty to organize and supervise elections is a lot already; this is more than countries the world over have ever done."

Hun Sen discusses colonialism, saying: "In this conflict, there are a number of persons who are leftovers from the previous period. They agreed to be under French rule when France came. When Japan came, they agreed to put the country under Japanese control and abolished the treaty with France. When Japan was defeated in the war, France returned. These people put the country under French control again.

"In the 1970's, the United States brought in its troops. These people then put the country under U.S. aggression. For these people, it is easy. But for those who care about independence and sovereignty, they should think about their sovereignty."

Hun Sen says that there should be a clear distinction between the issue of sovereignty and the UN role. He says: "Another issue is that, in any political solution, measures should be taken to prevent the genocidal Pol Pot regime's return. If measures to tie the hands of the Phnom Penh government are taken through dissolution of the army before elections and disarming the Phnom Penh forces while no one knows where the Polpotists have hidden their weapons and troops, this is a great risk to the lives of Cambodians." He says that Sihanouk and Son Sann are not the ones who really oppose Pol Pot; the Phnom Penh government is the one who really opposes Pol Pot and has the capability to do so. He says this issue should be carefully considered because it is the Cambodian people who will die and not the United Nations and foreigners who come to work here.

Hun Sen says that it is easy to disband Cambodian Government troops, and adds: "But can anyone provide a sure answer that this is the same with Pol Pot troops and their weapons, and those of Pol Pot's allies in the Dangrek mountains or in the jungles? No one can give this answer. In this case, do not try to disband government troops because this would pave the way to the Pol Pot regime's return."

He says: "There are two major requirements to consider in the search for a compromise in the military field. The first is to achieve a cease-fire and create a neutral

atmosphere for the elections. If there is no cease-fire, there cannot be elections. The second major requirement is to prevent the Polpotists from using military force to seize power during the disarming and dissolution of the armed forces. These two requirements should be considered together. We are of the view that disarming and dissolving troops cannot be done before elections because this would create conditions for Pol Pot to return most easily through military forces when we are disarmed and our troops have been disbanded; however, neither can the troops be left to fight as they are doing now. There should be a cease-fire, and troops should be assembled at places which have been agreed upon. After the cease-fire, efforts should be made to organize the stationing of troops. Units can then be separated to prevent exchanges of artillery fire as this would lead to the resumption of the civil war. If necessary, buffer zones could be set up by UNTAC [UN Transitional Authorities in Cambodia] to prevent hostilities among troops.

"Another point is the prohibition to take weapons out of their positions; however, weapons should not be kept in warehouses either. This is a neutral point in the sense that, on the one hand, weapons allowed outside positions would lead to armed clashes, and on the other, weapons left in warehouses would lead to Pol Pot's return or attacks. Therefore, a compromise should be found, that is, assembling troops in positions and storing weapons there instead of removing them. In this way I think that we can meet the two requirements of creating an atmosphere for elections with a cease-fire and not giving an opportunity for the Polpotists to return.

"As for the definitive dissolution of the army, the elected government should decide whether these troops should be dissolved or integrated. This is the right of the elected government. They cannot be dissolved before the elections."

He continues: "Thus we should say that election is the key to achieving a political solution. The election results will decide administrative, political, and military issues. This is what my position has been in the past when people accused us of toughening our stance. If people want more than this, we cannot accept it. If people say we are hardening, we will accept it. Isolation is better than death. This is our stance."

When asked about the multiparty system in Cambodia, Hun Sen says: "The multiparty system we have now is not the same as in the United States, France, or Thailand where only political battles are fought. The multiparty system now in force is one with battles on every front, including the military. This is the real situation in Cambodia. It is already a country with many parties. So, if these parties voluntarily agree to stop fighting and look for a political solution, this would automatically create parties which can compete against one another politically (khang nayobay) to replace the political (khang nayobay) and military race. Thus, Cambodia cannot resist a multiparty political system."

He adds: "During the elections, whether parties from this or that country can take part or not is subject to future discussion. Should we further complicate the issue or limit and solve existing ones, or should we wait until the next elections to allow many parties to take part? There are now many parties; four parties in two governments are currently fighting. In the elections, should only these four parties be contesting or should there be other parties? This is worth discussing. After the first election, it is automatic that in future elections there will be more parties. I cannot predict how many. There are now four parties in two governments.

"There are now four parties in Cambodia. Issues will be solved regarding the number of parties. It only depends on time. But should we create new problems? I cannot say anything now because this is subject to discussion."

A final question concerns the expenses for rebuilding Cambodia. He says the needs for rebuilding the communications and transportation infrastructure are immense.

Chea Sim Cited on Opposition to UN Peace Plan

OW0312115290 Tokyo KYODO in English 1108 GMT 3 Dec 90

[Text] Bangkok, Dec. 3 KYODO—Chea Sim, chairman of Cambodia's National Assembly in Phnom Penh, is staunchly opposed to any United Nations transitional peace plan that would usurp the authority of the current Vietnam-backed government, informed sources said on Monday.

In an address in Phnom Penh on Saturday, Chea Sim stressed that any provisional administrative body created by the U.N. cannot be given the right to break up the regime led by President Heng Samrin, the sources said.

A U.N. draft proposal would have a transitional Cambodian ruling body supervise diplomacy, defense and finance. If implemented, the scheme would mean the virtual dismantling of the existing regime.

Chea Sim also declared that the U.N. provisional governing body should be limited to preparation and monitoring of the general election. He also said Prince Norodom Sihanouk, leader of the three-party resistance coalition, should not become the 13th member nor chairman of the Supreme National Council (SNC), the sources said.

Under the U.N. plan, the SNC would serve as a transitional government ahead of a national election aimed at formally ending Cambodia's 12-year civil conflict.

Chairs National Day Meeting

BK0112092890 Phnom Penh Domestic Service in Cambodian 0430 GMT 1 Dec 90

[Text] On the morning of 1 December at the Basak auditorium, a solemn mass meeting arranged by the

Committee for Organizing National and International Festivities of the Kampuchean United Front for National Construction and Defense [KUFNCD] was held under the lofty chairmanship of Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of both the National Assembly and the KUFNCD, to mark the 15th founding anniversary of the Lao People's Democratic Republic [LPDR].

Attending the meeting were comrades, leading cadres, and members of the party Central Committee Political Bureau; members of the party Central Committee; ministers and their deputies; directors general and their deputies; representatives of minor ethnic groups; and a great number of cadres, staff, and workers from the central services. Diplomatic corps from friendly countries' embassies to Cambodia were also present.

On the occasion, Comrade Chea Sim gave a speech welcoming the LPDR's 15th founding anniversary and expressed sentiment of sincere friendship and fraternity to the Lao acting charge d'affairs and his assistants present at the meeting, the Lao party and state leaders, and the Lao brotherly people, who are happily celebrating their National Day with pride in defending and rebuilding the glorious Lao motherland toward steadfast development.

In his reply, Comrade Tomte, Lao acting charge d'affairs to the State of Cambodia, recounted with great pleasure the history of the courageous struggle conducted by the fraternal Lao people under the clear-sighted leadership of the brotherly Lao People's Revolutionary Party in wresting back independence and freedom and rebuilding the Lao motherland toward prosperity.

Sar Kheng on Siem Reap Fighting, UN Plan

BK0212125590 Phnom Penh Domestic Service in Cambodian 0430 GMT 1 Dec 90

[Speech by Sar Kheng, member of the party Central Committee Political Bureau, chef de cabinet of the party Central Committee, and chairman of the Central Organization Commission, at the closing of a meeting to review the results of the rainy season military campaign in Siem Reap-Oddar Meanchey Province on 28 November—recorded]

[Summary from poor reception] On behalf of the party Central Committee Political Bureau, I would like to express profound revolutionary sentiments and convey greetings from our State of Cambodia's leadership.

"Siem Reap Province has received active cooperation from the people and masses in the local population and is in control in every field, particularly the military and security sectors."

"Earlier, the three groups of enemies assembled their forces and launched large-scale attacks against us in Banteay Meanchey and Battambang Provinces. However, they were counterattacked by our forces which dealt the enemies heavy blows. A few months after that, the enemies turned to Siem Reap Province with all their might to repeatedly attack our positions in an attempt to seize a number of areas. Their main aim was to seize Samraong, Varin, and Chikreng Districts and block National Route 6, Route 68, and the road leading to the provincial seat. The Pol Pot group has many times announced plans to attack and seize Siem Reap Province. Even a number of foreign circles expressed concerns on our behalf. However, in the past rainy season, the enemies not only failed to achieve their perfidious goal but were successively defeated by our armed forces and people. Over 1,000 enemy soldiers were killed."

"It is true that we temporarily lost some areas along the border, such as Anlung Veng and Sre Noy. However, as Comrade Major General Long Sopheap has just pointed out, we have regained control of these areas.

"Public opinion in and out of the country realizes that the State of Cambodia still faces many problems. However, the State of Cambodia is the real force and government authority controlling the country; no force can eliminate this. The State of Cambodia is the only force with the determination and capability to prevent the genocidal Pol Pot regime's return.

"Assessing the enemy's activities in the past rainy season, the enemies have not abandoned their strategic maneuver of attempting to topple our revolutionary state authorities. Since they cannot topple us by military means alone, the enemies are dreaming of using the framework document for a political solution of the five permanent members to interfere in Cambodia's internal affairs. This is with the aim of reversing the advantage we are enjoying and then toppling us in the end. This means that in this phase, the enemies have combined military, political, and diplomatic measures and used them against us. They continue to try to seize territory and people and also interfere in our internal affairs through a political solution in order to topple us. Unfriendly countries behind the tripartite alliance in particular have been trying to create conditions for the enemies to carry out the above maneuver.

"The card people are now paying attention to is Sihanouk. This is the final goal of the maneuver of other parties involved in a solution to the Cambodian problem. To achieve this goal, these people have made efforts to create conditions for interfering in our internal affairs through a political solution, particularly through the role of the United Nations, such as wanting to give a large role to the United Nations in a political solution by allowing the UN Transitional Authority to intefere in the work of the five [?ministries] and a number of other establishments, including the executive branch of the establishment. They want the Supreme National Council [SNC] to have the role of a provisional government to replace our current government. They also want to assemble and disarm troops of both sides. Troops should be assembled in camps and all weapons put in warehouses.

"First of all, we will not assemble troops as prescribed by the United Nations. The same goes for disarming troops. This is our principle of struggle because if we dissolve and disarm troops, it means that we will clear the way for the genocidal Pol Pot group to return easily. As we have concluded and agreed, only our forces can prevent the return of the genocidal Pol Pot group. If we are disarmed, who will prevent the genocidal Pol Pot regime from returning? Our state authorities should continue to administer the country as usual until the establishment of a new government after elections. We do not agree to let the United Nations have a large role and directly interfere in our state authorities' administration. The United Nations will be allowed only to supervise or oversee activities which could affect the neutral atmopshere before the elections, and activities related to the supervision of the implementation of agreements.

"Furthermore, this symbolic establishment, the SNC, is also the one to send delegates to sit in various international organizations. Therefore, we oppose the expansion of the SNC to hand over power to the United Nations or the expansion of its right as a provisional government. We agree to accept a transitional period of six to nine months, or 12 months at most. This should be enough for the United Nations to come in and organize elections. Extending the transitional period is a condition which could bring forth various eventualities leading to interference in our internal affairs by parties involved in the conflict as well as by foreign persons. This would hinder the election process."

"In sum, although the framework document has been interpreted by the other side and the major powers to their advantage, our final and most important goal in the negotiations is to categorically demand the political and military status quo. More importantly, our present state authorities should not be dissolved and our troops should not be assembled and disarmed."

Urges Cadres To Expand Control

BK0112044290 Phnom Penh Domestic Service in Cambodian 1300 GMT 30 Nov 90

[Summary] A party-state delegation led by Comrade Sar Kheng, member of the party Central Committee Political Bureau, chef de cabinet of the party Central Comittee, and chairman of the party Central Committee's Organization Commission, recently visited and distributed donations to cadres in Sot Nikom District of Siem Reap-Oddar Meanchey Province.

On the occasion, Comrade Sar Kheng extolled the local cadres, combatants, and people for their unflinching efforts in carrying out the national defense task since the complete withdrawal of Vietnamese troops from Cambodia. He reaffirmed the goodwill and just stance adopted by the Cambodian state's party and government on settling the Cambodian problem via a political solution with the view of bringing an early peace to Cambodia. He denounced the three Cambodian opposition groups for their wicked intention of destroying negotiations aimed at returning the genocidal Pol Pot regime to Cambodia, and urged all the local cadres to step up efforts to expand their areas of control and score more successes in fighting the enemy. This is to stimulate the people's confidence in the new regime.

Latest Sihanouk Overture Termed 'Antiquated'

BK0112064990 Phnom Penh Domestic Service in Cambodian 1300 GMT 30 Nov 90

[Station commentary: "An Antiquated Overture"]

[Text] Samdech Sihanouk in Paris recently sent letters to the Cambodian parties inviting them to attend a meeting, which he called a fraternal meeting, in the French capital city. The invitation was made after the five permanent members of the UN Security Council [UNSC] had concluded their talks with the cochairmen of the Paris conference on Cambodia.

Comrade Igor Rogachev, deputy foreign minister and head of the Soviet delegation participating in the Big Five's Paris meeting, labeled Samdech Sihanouk's overture a frivolous invitation. Everyone knows that since the creation of the Supreme National Council [SNC] in Jakarta on 10 September 1990, the Cambodian parties should meet and discuss all issues through their representatives in the Supreme Council, which symbolizes Cambodia's national independence, sovereignty, and unity. In a press communique of the five permanent members of the UNSC, there is even a clause stating that the Cambodian parties should cooperate with each other through the SNC channel in enhancing a settlement of the Cambodian problem. As such, why did the samdech need to appeal to all the Cambodian parties to attend the so-called fraternal meeting?

News analysts have noted that Samdech Sihanouk's action is conspicuously aimed at eradicating the SNC which is recognized nationally and internationally, and in particular by the United Nations. Perhaps, the samdech staged this because he, following his foul plays, was hopeless about being included in the SNC. Previously, when the Cambodian conflicting parties agreed to meet in Jakarta to expedite the settlement of the Cambodian problem, Samdech Sihanouk pretended to be sick in Beijing and proclaimed that he wanted to be away from the political arena for six months. However, when he saw that his name was not included in the SNC membership, the samdech began crying that he should be elected chairman and 13th member of the supreme council. This is a flagrant violation of the meaning of the Jakarta statement. And now, when the world is expecting a meeting by the SNC to resolve the issues on hold, Samdech Sihanouk instead called on the Cambodian parties to attend the fraternal meeting. This is an antiquated call that no one can accept.

Undoubtedly, everyone knows that the samdech's current crying "wolf" and intensified diplomatic activities are just his attempt to wrest back and remedy what he

has lost over the past few months. More importantly, Samdech Sihanouk wants to show people that he is the principal figure holding the key to the settlement of the Cambodian problem as well as an individual placed above all the other Cambodian parties. This is why, after his letters were issued, the groups in the tripartite coalition voiced their support at the drop of a hat, because this is their routine.

For nearly 12 years, those groups have always made known their support for one another in the political, military, and diplomatic fields, and so on, and this has been done regardless of the adverse consequences to the nation. Their primary objective is to isolate the government of the State of Cambodia [SOC] with the aim of putting the blame on it. Although they know that the Pol Pot clique has not eliminated its criminal nature, they continue to stick together in their alliance and defend the arch criminal at every negotiating table.

As for the SOC, which is the only force capable of preventing the return of the genocidal Pol Pot regime, it cannot accept Samdech Sihanouk's proposal. The SOC Government is ready to send the six SNC members of the SOC to participate in an SNC meeting anywhere to resolve key issues for the settlement of the Cambodian problem.

The SOC wishes to call on the SNC to begin its work immediately without waiting for this or that person, because the SNC was not created for solving individual issues, but to solve the problems of the Cambodian people.

Phnom Penh Said Seeking Military Solution

BK3011134090 Hong Kong AFP in English 1336 GMT 30 Nov 90

[Text] Bangkok, Nov 30 (AFP)—Prince Norodom Sihanouk's resistance faction Friday accused Phnom Penh of seeking a military solution to the 12-year-old Cambodian conflict.

The statement, issued by the former monarch's office here, came one day after Phnom Penh Prime Minister Hun Sen said his Vietnamese-backed government had no intention of launching any offensives against the guerrillas.

The statement said government troops with heavy weapons were building up in the area of Sisophon, a key government supply depot some 50 kilometers (30 miles) east of the Thai-Cambodian border.

Government troops reaching Sisophon numbered 1,800, supported by 27 Soviet-made T-54 tanks, 16 long-range artillery and pieces and a rocket launcher, it said.

Government forces were also planning to recapture part of highway 6 between Kompong Thom and Siem Reap towns north of the capital Phnom Penh, it added. "It appears clearly that the Phnom Penh regime is looking for a military solution which runs counter to the general feeling and trend towards finding a comprehensive solution to the Cambodian conflict," it said.

A Thai army officer said here Thursday that Phnom Penh troops appeared to be building up near guerrilla-held territory along the border in preparation for heavy fighting during the upcoming dry season.

Prince Sihanouk leads a tripartite resistance coalition grouping his followers with those of former Prime Minister Son Sann and the Khmer Rouge.

National Government Foreign Ministry Statement

BK0312040390 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 2 Dec 90

["Statement of the Foreign Ministry of the National Government of Cambodia", CNG, dated 3 December; read by announcer]

[Text] The Hanoi Vietnamese aggressors and the Phnom Penh puppets have conspicuously rejected the document of the five permanent members of the UN Security Council [UNSC], the Jakarta joint statement that they solemnly accepted on 10 September 1990, and the UNSC's resolution 668/90.

People who have known the Hanoi Vietnamese aggressors' history of diplomacy are not confused on this issue. They still recall that:

1. The Hanoi Vietnamese aggressors did not abide by the 1962 Geneva accord on Lao neutrality. They instead turned the agreement into serving their goal of invading Laos both politically and militarily. Finally, they have completely swallowed Laos.

2. They did not respect the 1973 Paris accord. They employed the cease-fire implementation process to ship armaments, and in the final stage they marshalled troops, cannons, and tanks to launch an unexpected offensive against South Vietnam in April 1975.

With regard to Cambodia at present, the Hanoi Vietnamese aggressors have the following stratagems:

I. They have vehemently opposed the settlement of their war of aggression via a comprehensive political solution in keeping with the framework document of the five UNSC permanent members and the UNSC's Resolution 668. They have also been against all diplomatic approaches. On the military field, they have continued to ship their troops in a bid to retake liberated zones from the Cambodian National Resistance [CNR], in particular, to overrun important regions such as Pailin, with the aim of showing off their supremacy and military might and menacing some circles in the world. Along with this, they have ordered their puppets and lackeys:

1. To openly object to the document of the five UNSC permanent members and the Jakarta joint statement.

2. To oppose the role of the United Nations and the stationing of a UN peacekeeping force in Cambodia.

3. To reject the role of the Supreme National Council [SNC], the unique legitimate body and source of authority in Cambodia.

4. To bar the SNC from cooperating with a UN transitional authority to play the role of a transitional authority.

5. To disallow the nomination of Samdech Norodom Sihanouk as the SNC chairman.

Besides, they have also ordered their lackey puppets to utter aggressively insolent words to intimidate people. People worldwide have realized that it is the Hanoi Vietnamese aggressors who have directed their puppets to act in this manner.

II. Should they not be able to prevent the Cambodian problem from being resolved via a political settlement, they would employ all kinds of tricks to have the problem settled via an ambiguous solution so they can continue to preserve their invading forces in Cambodia and use them to create, foment, and sharpen provocation in order to plunge Cambodia into chaos and then turn it into a new Lebanon, with the aim of occupying the country forever.

However, the Cambodian people can never allow themselves to be threatened by the Hanoi Vietnamese aggressors. They have been experienced in and are capable of fighting against the Hanoi Vietnamese aggressors. The Cambodian people can never be intimidated by the Hanoi Vietnamese aggressors. In a successful way they have seen that the Hanoi Vietnamese aggressors' situation is that of a tiger fallen into a well:

1. Because for 12 years, the Hanoi Vietnamese aggressors and their lackey puppets have not been able to release themselves from the battlefield of invading Cambodia. The more they move, the more they bog themselves down. They have not been able to rid themselves of the battlefield in the past, so how can they do it now?

At present, the Vietnamese, with continued shipments of their troops from Vietnam, cannot even retake any liberated zone from the CNR, let alone areas such as Pailin, which they have attempted to use to show off their predominance and military might. As for the Vietnamese administration, it is on the way to a complete collapse militarily, politically, economically, financially, and morally because they can no longer plunder the Cambodian people's foodstuffs and resouces, forcibly draft the people's children, and so on, as the people have intensified their opposition and the area under their temporary control has gradually been reduced.

2. Because the Hanoi aggressor leaders—facing serious military, security, political, social, and economic hardship—are in deep water and the Vietnamese people's standard of living plummets in Vietnam.

3. Because the Soviet Union itself, the unique backer of the Hanoi Vietnamese aggressors, has also been faced *with numerous crises and has even called on countries* worldwide, small and large alike, to give humanitarian aid to the starving Soviet people. In this situation, what else can the Hanoi Vietnamese aggressors rely on? Are they still hopeful of being able to intimidate people?

4. Because there now exist the document of the five UNSC permanent members and the Jakarta joint statement, which have unanimously been endorsed by the UNSC's Resolution 668 and the United Nations' Resolution 48. Moreover, those documents have already been fleshed out at two rounds of talks.

The Cambodian people and the CNR have firmly stuck to the documents. The Cambodian people are resolved to join forces with the peace- and independence-loving countries throughout the world to drive the Hanoi Vietnamese aggressors into respecting the framework document of the five UNSC permanent members, the Jakarta joint statement, and the UNSC's Resolution 668, and put an end to their war of aggression in Cambodia.

[Dated] 3 December 1990.

Indonesia

Muslim Heads Ask Government To Mediate in Gulf

BK0112072390 Jakarta ANTARA in English 0646 GMT 1 Dec 90

[Text] Jakarta, Dec 01 (OANA-ANTARA)—Indonesia has a chance to be a mediator in the Gulf crisis since the country has good relationship with all the conflicting parties in the region, it was stated here Saturday.

In separate statements here to comment [on] the current situation in the Gulf, particularly after the adoption of a resolution by the UN Security Council authorizing the U.S.-led multinational forces to oust Iraqi troops from Kuwait, Khalid Mawardi and Lukman Harun, chairman and vice chairman of two Islamic social organizations Nahdlatul Ulama and Muhammadiyah, said there were still 45 days left to solve the crisis.

They saw that Indonesia could play its role in preventing the open war in that region. An open war in the Gulf will lead to cruel war which will be detrimental to not only the countries in the region but also the whole world, they said.

Indonesia, Mawardi said, has to maintain its present position in the Gulf crisis and Indonesia not necessarily to put pressure on Iraq. [sentence as received]

Such a pressure will be interpreted that Indonesia is siding, which would in turn prevent Indonesia from playing its role as a mediator.

Lukman Harun proposed that Bandung, where the first Asian-African conference took place 35 years ago, was selected to be the venue for a meeting between Saudi

King Fahd and Iraqi President Saddam Husayn to discuss the solution to the Gulf crisis.

Both Mawardi and Harun considered the current situation in the Gulf becoming hot, while a chance for a compromise among the warring parties remained invisible.

If until the January 15, 1991 deadline Iraq does not withdraw from Kuwait, a military invasion will be imminent, said Khalid Mawardi, who is also a former Indonesian ambassador to Syria.

Even Lukman Harun alleged that the United States was introducing a double standard poilicy in the Middle East in which it sponsored the UN Security Council resolution on the use of military forces against Iraq, and on other hand Washington clearly defended Israel.

The presence of the U.S. forces is not only to defend Kuwait and Saudi Arabia, but for their own interests like the oil supplies, military bases, and to defend Israel as well, said Lukman Harun.

Group of 66 Irian Jaya GPK Members Surrender

BK3011131990 Jakarta Domestic Service in Indonesian 1200 GMT 30 Nov 90

[Text] Sixty-six members of the GPK [Security Disturbance Movement] from Kampung Boboh, Jayapura in Irian Jaya, surrendered to the security forces last week after being on the run in the jungles for one year.

The eighth Trikora regional commander, Major-General Abe Nowo, in a press statement issued at the Trikora military command said the GPK members surrendered on their own accord and vowed to become law-abiding Indonesian citizens.

According to the Trikora regional commander, they had long desired to return to their respective villages after realizing that they were leading a confused life. They feared that if they surrendered they would be killed. Such a view was mistaken because ABRI [Indonesian Armed Forces] and the people would welcome them again in society.

The group of 66 were from two groups armed with bows and arrows, explosives, and a solitary firearm.

Suharto, Japanese Banker Discuss Financial Aid

BK0212132390 Jakarta ANTARA in English 0450 GMT 2 Dec 90

[Text] Jakarta, Dec 2 (OANA-ANTARA)—Foreign businesses including international financial institutions with capital investments in Indonesia appreciate and closely follow the government's efforts to lower the inflation rate by its tight money policy.

These remarks were made by president director of Japan's Export Import Bank Mitsuhide Yamaguchi after he paid a courtesy call on President Suharto here Saturday.

"Investors and donors are paying serious attention to the inflation rate which tends to increase," Yamaguchi said, adding that early preventive measures were needed in such a situation. He said the Indonesian Government has adopted the right policy to curb the inflation rate, and that the tight money policy has shown encouraging results.

Asked whether the inflation rate in the country is still at a moderate or high level, Yamaguchi said that it was not easy to evaluate a country's inflation rate.

Meanwhile, Finance Minister J.B. Sumarlin who accompanied Yamaguchi told the press that the inflation rate from January to November reached 9.49 percent. The rate in November stood at 0.33 percent.

President Suharto at the meeting with Yamaguchi was quoted as saying that despite the economic progress made by Indonesia, it still needed more foreign loans. "Indonesia is still short of funds," the head of state was quoted by Yamaguchi as saying, and that the Japanese bank will continue providing financial assistance to Indonesia.

Yamaguchi explained that the bank has so far made available a total of six trillion yen in loans to a number of countries, 15 percent of which has been provided to Indonesia. The bank has provided some 800 billion yen to both the Indonesian Government and the private sector, he said.

Laos

15th National Day Celebrations Held

Leaders Attend Rally

BK0212114190 Vientiane KPL in English 0859 GMT 2 Dec 90

[Excerpt] Vientiane, Dec 2 (KPL)—Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party Central Committee [LPRP CC] and chairman of the Council of Ministers, on the occasion of the 15th anniversary of the Lao People's Democratic Republic [LPDR], gave an address to the 60,000 strong rally at the That Luang square in Vientiane today morning.

Present at the presidium stand were:

Kaysone Phomvihan, general secretary of the LPRP CC, chairman of the Council of Ministers, Souphanouvong, Politburo member of the LPRP CC and president of the republic, Phoumi Vongvichit, Politburo member of the LPRP CC, acting president of the republic, and president of the committee for the celebration of the four grand events, Nouhak Phoumsavan, Politburo member of the LPRP CC and president of the People's Supreme Assembly, Sisavat Keobounphan, Politburo member of the LPRP CC and head of the Vientiane Prefecture Administrative Committee, other members of the Political Bureau and secretaries of the LPRP CC, deputy

chairmen of the Council of Ministers, and representatives of the mass organizations.

Also present at the review stand as guests of honour were Heng Samrin, general secretary of the PRPK CC [People's Revolutionary Party of Kampuchea] and president of the State Council of the State of Cambodia, Vo Chi Cong, Politburo member of the CPV CC [Communist Party of Vietnam Central Committee] and president of the State Council of the SRV.

Members of the diplomatic corps and representatives of international organizations were also invited to review the parade.

Having praised the unity among the Lao people of all ethnic groups and their devoted sense of patriotism reflected in their contribution to the national defence and building in the past 15 years, and having paid tribute to the fallen soldiers and compatriots for the national interests, Kaysone Phomvihan, speaking on behalf of the LPRP CC, the People's Supreme Assembly, and the Council of Ministers, expressed words of welcome and appreciation to the top party and government delegations of the State of Cambodia led by Heng Samrin and of the Socialist Republic of Vietnam led by Vo Chi Cong. Both, he said, have brought forth to the Lao party, government, and people their goodwill, special friendship, and great support.

The last fifteen years, and particularly the past five years, the reality has shown that the entire party, army, and people have tirelessly made sacrifices in their efforts to build and defend the motherland. Doing so, they have undergone an untold number of obstacles. Despite shortcomings, Kaysone Phomvihan said, we can proudly claim that we have definitely scored several significant and basic achievements.

The victory that has been realised was possible only because we have defined correct policy, and [put] forward programs suitable for the reality of the nation. In addition, said he, the party being aware of its obligations has sensitively responded to all situations with creativity.

In accordance with the restructuring orientation as defined by the party IV [as received] congress, the party has systematically applied the work in order to improve, expand, and perfect the people's democracy system.

He also made a note about the successful new policy of streamlining the economic sructure and the new management mechanism. This involved, he said, the introduction of many economic forms and sectors, including the promotion of family economy of farmers and private sector of economy. This was to implement the program to promote free and legal movement of goods, which consequently will widen the market and do away with the centralized, bureaucratic, and subsidized mechanism.

Along with these socioeconomic changes, Kaysone Phomvihan said, the country has seen gradual and positive charges due to the application of the correct and suitable political thinking which has been supported by the general public. The results of all these, he said, are manifested in the improved democratic administrative authorities throughout the country, consolidation of the citizens' right as masters of the nation, increasing strength of the armed and security forces, guaranteeing political stability, well-being of the people and social order. [passage omitted]

Sisavat Gives Opening Speech

BK0212052390 Vientiane Domestic Service in Lao 2330 GMT 1 Dec 90

[Speech by Sisavat Keobounphan, member of the Political Bureau and the Secretariat of the party Central Committee, secretary of the Vientiane municipal party committee, and chairman of the Vientiane municipal administrative committee, opening the mass rally held in Vientiane to celebrate the 15th anniversary of the 2 December National Day—live]

[Text] Respected and beloved General Secretary Comrade Kaysone Phomvihan,

Respected members of the presidium of the rally,

Respected distinguished honored guests,

Comrades and friends:

Today, the party Central Committee, the Supreme People's Assembly [SPA], the Council of Ministers, mass organizations, Vientiane residents, representatives of Army units, and multiethnic Lao people are holding this grand rally to mark the 15th founding anniversary of the Lao People's Democratic Republic [LPDR]. Today commemorates the day the multiethnic people throughout the country successfully dismantled the yoke of domination by imperialism and outdated feudalism and achieved complete victory in the cause of national liberation struggle, thus opening a new era—the era of independence, freedom, and national construction.

On this occasion, respected and beloved Comrade Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party [LPRP] and chairman of the Council of Ministers, and comrade members in the Political Bureau are also here to attend this grand ceremony. [applause]

I would like to extend our wholehearted salutation and welcome to the Cambodian party-state delegation led by Comrade Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party Central Committee and chairman of the State Council of the State of Cambodia, who has brought with him the friendship and effective support of Cambodia to our Lao party, government, and multiethnic people. [Applause]

I would like to extend our wholehearted salutation and welcome to the Vietnamese party-state delegation led by Comrade Vo Chi Cong, member of the CPV Central Committee Political Bureau and chairman of the State

Council of the SRV, who has brought with him the great solidarity and friendship and effective support and assistance of Vietnam to the Lao party, government, and multiethnic people. [applause]

Attending our grand rally today are comrade secretaries and members of the party Central Committee, senior Buddhist monks, representatives of the SPA, ministers and deputy ministers, heroic combatants, representatives of the working class, outstanding farmers, representatives of people of all tribes, intellectuals, cadres, state employees, students, and a large number of Vientiane residents. [applause]

I would like to hail and welcome members of the diplomatic corps, foreign experts, and representatives of international organizations in Laos for attending this meeting with us today. [applause]

This grand meeting of great significance symbolizes the growth and development of the LPDR in the past 15 years. It reaffirms the fundamental and firm great achievements and victories won by the Lao people throughout the country, who have concentrated efforts and wisdom on carrying out the tasks of national defense and national construction.

The grand rally to mark the 15th anniversary of the National Day today serves to remind us of the fine traditions of our country. It also serves to heighten our faith in the party leadership, to convince us to have confidence in the future of the new regime, and to further heighten a sense of patriotism and heroism of the multiethnic Lao people. With such great faith and pride, we pledge to become more resolved in carrying out the cause of restructuring outlined by our party.

On behalf of the presidium, I would like to declare the official opening of the grand rally today. [applause]

I would like to invite respected and beloved Comrade General Secretary and Chairman of the Council of Ministers Kaysone Phomvihan to address the rally.

Thank you.

Kaysone Speaks at Rally

BK0212151790 Vientiane Domestic Service in Lao 2338 GMT 1 Dec 90

[Speech by Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party and chairman of the Council of Ministers of the Lao People's Democratic Republic, delivered at a rally in Vientiane in celebration of Laos' 15th National Day—live]

[Text] Comrade members of the Presidium; respected distinguished guests; beloved cadres, combatants, state employees, and compatriots:

Today the entire party, army, and people are celebrating together the 2 December National Day amidst a joyous atmosphere and with great pride in the great achievements of historic significance made in the past 15 years in building and defending the Lao People's Democratic Republic. On behalf of the Lao People's Revolutionary Party Central Committee, the Supreme People's Assembly [SPA], and the Council of Ministers, I would like to extend wholehearted salutations and greetings to the entire multiethnic people, cadres, and combatants for holding aloft the profound spirit of patriotism and national unity in achievements to welcome the National Day anniversary today, and for emulating each other in achievements to welcome the 5th party congress, which will be convened in the near future. [applause]

In this grand celebration ceremony, we would like to express mournful attachment to those cadres, party members, the multiethnic people of all strata, and heroic combatants who sacrificed their lives in the struggle for national independence and freedom and for the happy and plentiful life of the multiethnic people. We would like to express salutations and welcome to the high-level delegations of the Cambodian and Vietnamese parties and states, respectively led by Comrade Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party Central Committee and chairman of the State Council of Cambodia, and Comrade Vo Chi Cong, member of the party Central Committee Political Bureau and chairman of the State Council of the SRV, for bringing friendship, great special solidarity, and ardent support to our Lao party, state, and multiethnic people. [applause]

Comrades and friends, 15 years ago the LPDR was established. It marked the first time in the history of Laos that the multiethnic Lao people have enjoyed independence and freedom and become genuine owners of their country. Over the past 15 years, in particular over the past 5 years, our entire party, army, and people have tirelessly strived and sacrificed everything to build and defend the country. In the said process, though there were many difficulties and obstacles and certain shortcomings and weak points, we can say that we have scored great and firm achievements and victories. Our thanks to the correct line, policy, and steps outlined by the party in conformity with the realities of the country. Our party has maintained resourcefulness and been quick in taking initiatives to settle problems. Consistently implementing the new concepts adopted at the congress, our party has set the new stage of revolution in our country as a stage for the consolidation, expansion, and perfecting of the popular democratic system. It has put forth new lines and policies aimed at modifying the economic structure and changing the economic management mechanism with appropriate steps. It has resorted to using many measures and many economic sectors to vigorously promote the family economy of farmers; encouraged the people to pursue the plan and policy on the free and legal circulation of goods; gradually broadened markets; done away with the bureaucratic, state-financing administration system; put into practice the prices of goods as agreed upon and actually prevailing at markets; and widely put into use the goods-money relations and macroeconomic management tools. At the same time, we

have carried out the gradual restructuring in the political system. These are the policies and plans that have proved through actual practice to be correct and appropriate, and which have gained vigorous support, welcome, and response from the multiethnic people of various classes.

The LPDR has overcome numerous difficult trials and indomitably faced all obstacles and securely defended its independence, sovereignty, and territorial integrity. The popular democratic administrations at various levels have been consolidated with each passing day. The multiethnic people's roles and rights to mastery have also been promoted and raised to an ever-higher level. The various national defense and public security armed forces, together with our people, have smashed all efforts of the enemies who have tried to overthrow our system, thereby guaranteeing the political stability, tranquility, and social order. In light of the international situation, which has undergone complex changes, our multiethnic people have consistently adhered to their path of advance. They have continued to strive to build and develop the country to become ever more prosperous and strong.

Implementing the first priority plan aimed at firmly settling the problem of food and grains, despite the natural disasters for many consecutive years, we have basically fulfilled our requirements in food and grains. We have also saved some for future use. The cultivated areas throughout the country have increased by 1.2 times, and the efficiency and production in food and grains were also considerably increased in 1989, compared to previous years.

This has mainly resulted from the attentive roles of the party in carrying out intensive cultivation, increasing production seasons, making use of available machineries, fertilizers, and new breeds along with the planting of industrial and starchy crops. Many localities have also attentively built irrigation projects, particularly small-scale projects. Up to this point, the acreage for dry-season rice farming has increased some fourfold. Along with the progress in producing the food grains, we have broadened the specific crop planting zones, such as the coffee, cardamom, sticklac, dammar, and other crop planting zones. Livestock breeding has also been promoted. Noteworthy is the breeding of large domestic animals, such as cattle. At present, the number of cattle has almost doubled compared to 1976. This has resulted from the correct policy on agriculture and from implementation of the contractual mechanism in which each family of farmers maintains rights to control over planting crops. It has also resulted from the vigorous practice of the two-way service system and the system in which land and forests are allotted to each family.

We wholeheartedly hail the multiethnic Lao farmers for energetically implementing the party and state's new policy on agriculture, further enhancing the tradition of hard work, engaging in intensive agriculture, increasing the frequency of cropping seasons, and gradually utilizing new techniques and new rice yields, thereby increasing the level of production efficiency and bringing wealth to themselves and the country. [applause]

We have built a number of fundamental material and technical foundations for the national economy. The systems of strategic roads, airfields, and boat landings have been built and expanded. In the past 15 years we have built 1,600 additional kilometers of highways and 377 bridges, including such important ones as the Nam Ngum Bridge, the Pak Kading Bridge, and the Sedon Bridge. We have paid attention to building rural roads and improving and expanding waterways and air transport services, thus dramatically increasing our transport capabilities and the number of transport means.

Production in the industry and traditional handicrafts sector has also made progress, especially in the processing of agricultural and forest products and the production of agricultural tools and construction materials.

We have switched all enterprises from being under the management of the centralized, bureaucratic, and state-financed mechanism to being under that of the business accounting mechanisms; introduced the utilization of new kinds of management tools; and broadened business relations between domestic and foreign enterprises, thereby bringing about smoother and more efficient operations in our young industry and in the development of production forces.

We have effected important changes in the circulation and distribution work and have extensively utilized various economic sectors in developing the goods economy to serve the people's living conditions. Our efforts in broadening foreign economic relations have attracted foreign investment into our country in the initial stage to engage in the exploitation of a number of rich natrual resources of our country.

As of today, the total gross national product has increased threefold; the average per capita income has increased 6 percent per year; and the volume of export has increased approximately fivefold compared to 1976. We wholeheartedly hail workers, handicraftsmen, technical engineers, traders, businessmen, investors, and experts, both Lao and foreigner, for promoting and expanding initiatives, raising the level of skills, utilizing new techniques and technologies, increasing labor productivity, and making contributions in the form of capital, education, and experience in the development of our national economy. [applause]

We have also paid attention to the social domain. Implementing the educational reform plan, the educational branch has positively consolidated and expanded the network of schools throughout the country, including in the remote, mountainous areas. Teachers have made efforts to overcome difficulties in their daily life so they can be capable of effectively performing their duties. The number of students at various levels throughout the

country has increased by hundreds of thousands compared to 1976. We have built and trained a considerably large number of teachers and cadres who have maintained a certain level of scientific and technical knowledge. Along with this, we have paid attention to eradicating illiteracy among the people and preventing them from becoming illiterate again.

The cultural and information branch has also made many efforts to improve the contents and quality of the work, broaden activities, create a joyous and active atmosphere, and maintain and enhance the precious cultural traditions and heritage of the nation as well as the identities of the people of each tribe. The public health work has also been further developed. Public health networks have been set up throughout the country, from the center down to the grassroots. Medical cadres and physicians in the center and various localities have made great efforts to serve the people's requirements. They have effectively provided vaccinations against various contagious diseases for the people. They have also widely used traditional herbal medicine in coordination with modern medicine in curing patients. The number of medical cadres and physicians has also increased rapidly.

We wholeheartedly hail teachers, physicians, students, intellectuals, writers, and artists for their high determination to overcome difficulties in various fields and fulfill their respective duties in a spirit of responsibility. We also would like to hail youths, women, and children for loyally pursuing the fine traditions of the nation and attentively studying, training, and tempering themselves to become good citizens and worthily contribute to the common cause of the nation. [applause]

Our party and state have attached importance to improving and enhancing the roles and responsibilities of the Lao Front for National Construction [LFNC] and mass organizations at various levels in order to increasingly promote and expand the rights to mastery of the multiethnic people. The people's assemblies and administrations at various levels have been set up through the democratic elections by the people. The draft constitution has also been brought to the attention of the people, and the people have enthusiastically discussed and contributed views on it. A number of basic laws have also been promulgated. The multiethnic people have enjoyed equal rights and freedom in earning their living. They have, therefore, positively contributed to building and developing the country. We hail the LFNC and various mass organizations for rallying the solidarity of the multiethnic people of all strata around the party and the administrations to effectively implement their rights and fulfill their obligations. We also would like to hail monks and novices, personages, senior retired cadres, and chiefs of ethnic minority groups for contributing, in a spirit of sacrifice, their energies and intelligence, and experiences they have gained in their lives for the common cause of the nation, being always concerned for the nation, attentively educating and training the fraternal people and children and encouraging them to implement the line and policies of the party and laws of the state, and defending and building the country. [applause]

With our foreign policy of peace, independence, friendship, and social progress and with our cooperation with all countries in the world on the basis of the Five Principles of Peaceful Coexistence, we have received extensive and effective support and assistance from fraternal and friendly countries in the tasks of building and defending the country, thus making appropriate contributions to the building of peace, stability, friendship, and cooperation in this region and in the world. [applause]

The aforesaid great achievements have, first of all, resulted from the correct, clear-sighted leadership of our party. They are the fruits of the endeavors and efforts of the entire party, army, and people and the administrations of various levels.

On this glorious occasion, on behalf of the Lao People's Revolutionary Party, the Supreme People's Assembly, and the Council of Ministers, I would like to wholeheartedly praise and hail the compatriots of various tribes and various classes and the various national defense and public security armed forces for together promoting and expanding the national tradition of heroism and appropriately contributing to the common achievements of our nation. [applause] I also would like to take this occasion to convey my commendation to the fraternal Lao compatriots abroad and the aliens residing in Laos for actively contributing to the restoration and development of the economy and culture of our country.

The achievements that we have scored over the past 15 years are the outcome of the special relations and solidarity between Laos, Vietnam, and Cambodia and of the friendship, sincere support, and assistance from the Soviet Union, China, fraternal and friendly countries near and far, and international organizations. On behalf of the Lao party, government, and people, we would like to express profound gratitude to the fraternal and friendly countries for the above-mentioned great and effective support and assistance. [applause]

Comrades and friends, along with the above-mentioned achievements, we still have many remaining weak points. The main weak points are the failure to profoundly understand the line, plans, and policies of the party and state; the delay in the concretization of the line; plans, and policies; the weakness in organizing the guidance, leadership, management, supervision, and control work at all levels, from the central down to the local levels; failure to clearly define roles and responsibilities; the ineffectiveness of coordination between various echelons in various branches; the low level of understanding of concepts and specialized subjects, the lack of a spirit of responsibility, and the tendency of the cadres toward regulations and discipline; and the failure to strictly control the implementation work, as a result of which the correct line and policies of the party have not been effectively implemented as they should be.

The fruits that we have achieved have, therefore, not been worthy of the energies we have sacrificed. They have not been worthy of the great potentials and the international assistance. Our entire party, army, and people will still have to continue to unite and together fight to overcome various difficulties and strive to march forward in order to build Laos into a peaceful, independent, democratic, unified, and prosperous country. It is, therefore, required that we strive to fulfill the following basic tasks:

1. Consolidate and strengthen the solidarity and accord among the multiethnic Lao people. All Lao citizens of all ages and all tribes, both at home and abroad, are compatriots who have but one country. Therefore, they must unite as one and maintain unified objectives, ideas, and actions. They must join in safeguarding national independence and sovereignty, defending the party and the popular democratic administration, and building the country to become ever more prosperous and stronger.

2. Fully promote the fine national traditions and the Lao multiethnic people's right to mastery. The Lao compatriots of all ethnic groups must enhance the spirit of patriotism and pride for the nation, boost the spirit of self-reliance, and devote all their mental and physical energy and materials to the common cause of the nation. The party and administration organizations at all levels must pay attention and listen to public opinion, sincerely considering the public's criticism and regarding the people's legitimate interests as the final goal of our party and government. At the same time, we must be vigilant against the schemes of the hostile forces attempting to drive a wedge and sow misunderstanding and hostility among the people of different ethnic groups in the hope of weakening our consolidated strength and undermining our new regime.

3. Strictly adhere to the revolutionary path. We must bear in mind that thousands of heroes, fraternal people of different ethnic groups, friends, and comrades have sacrificed their lives and devoted their mental and physical energy and materials to national independence, freedom, our well-being today, and the happiness of our children in the future. Being so grateful for their deeds, every compatriot must firmly adhere to the said brilliant path. We must make efforts to build our party so that it deserves to be the sole leader of the people's revolutionary cause and strengthen our administration so that it can truly represent the people's right to mastery and serve their interests.

Cadres and party members, regardless of their positions, must be aware of their responsibility; respect the people's right to mastery in all aspects; comport themselves as models in their conduct and observance of the laws; resolutely fight the practices of bureaucratism, isolation from the masses, and threatening the people; oppose corruption; and never allow any unscrupulous person to impair the reputation of the party and popular democratic administration, which may bring a negative impact on the inseparable traditional relations between the party and people.

4. Strictly adhere to the notion of the integrated restructuring task that corresponds to the actual development and actual conditions in the country. We must exert efforts to boost our strength and correct our shortcomings and mobilize the intelligence and potential of all the masses and all economic sectors in order to join hands and emulate to enrich ourselves and contribute to the country's prosperity. We must actively take part in international cooperation to accumulate funds and assistance; widen the market; gather useful experiences in economic management from foreign countries; apply scientific and technological advances in production [words indistinct]; gradually upgrade both the spiritual and material living standards of the multiethnic people; and practice social justice.

5. Comprehensively develop the grassroots as a long-term strategy designed to strengthen the socioeconomic bases; step up the party leadership and managerial efficiency of the administration at the grass-roots level; consolidate national defense and security; and forge and train cadres and party members through the mass movement. All services at all levels and all cadres and party members must actively go down to the rural areas and go up to the mountainous region so as to bring the party and state programs and policies into contact and discussion with the people and join them in drawing lessons [words indistinct] and promote useful experiences, and eliminate the weak points arising in implementation. Businessmen and traders must go down to the rural areas and go up to mountainous regions to conduct trade transactions; supply materials, techniques, and commodities to farmers; and invest in the expansion of production in various areas, thus transforming the natural economy into a commodity-oriented economy, and contributing to and stimulating the process of formation of the rural and national markets and the development of rural areas.

The LPDR continues to adhere to the foreign policy of peace, independence, friendship, and cooperation toward all countries regardless of differences in political systems and on the basis of respect for each other's independence and sovereignty, equality, and mutual benefits and to contribute to peace, national independence, democracy, and social progress. We will make efforts to strengthen the relations of friendship, special solidarity, and comprehensive cooperation with Vietnam and Cambodia; to firmly adhere to the friendship relations and all-round cooperation with the Soviet Union, China, and the fraternal and friendly countries; and to continue broadening relations and cooperation with the international community to acquire the most favorable conditions for serving the cause of restructuring and national development.

We completely support the State of Cambodia for its correct stand and constructive position in the settlement of the Cambodian problem through political means with a (?comprehensive), fair, and reasonable solution based on respect for Cambodia's independence and sovereignty and the right of self-determination of the Cambodian people to make Cambodia a peaceful, independent, neutral, and nonaligned country.

Fraternal compatriots, cadres, and combatants, judging from the circumstances within the country and the complicated international situation at present, there exist both difficulties we must overcome and facilities we must promote. Our party has already chosen the correct path on which to march forward. The Lao people of all ethnic groups must unite and be of one mind; rally behind the party and the popular democratic administration; increase the patriotic tradition and spirit of self-reliance in building up our own strength; consolidate our creativity and potential; and jointly build Laos into a peaceful, independent, democratic, united, and prosperous country.

Our cause of restructuring will certainly be victorious!

Long Live the LPDR!

Long Live the majestic LPRP!

Thank you. [applause]

Sisavat Gives Closing Speech

BK0312043690 Vientiane Domestic Service in Lao 0018 GMT 2 Dec 90

[Speech by Sisavat Keobounphan, Political Bureau member and secretariat member of the Lao People's Revolutionary Party Central Committee, secretary of the party committee and chairman of the administrative committee of Vientiane municipality, delivered at the closing of the rally in Vientiane to celebrate Laos' 15th National Day—live]

[Text] Respected members of the Presidium, beloved comrades and friends, distinguished foreign guests:

The mass rally being held here today in celebration of the 15th anniversary of the 2 December National Day is filled with profound content. The speech by beloved and respected Comrade General Secretary and Chairman of the Council of Ministers Kaysone Phomvihan has clearly pointed out to us the traditions, achievements, and victories that we have made in the cause of defending the country and building the new system over the past 15 years. The correct and firm path of advance taken by our nation throughout the past 15 years was noted. The speech by beloved and respected Comrade General Secretary Kaysone Phomvihan has also notified us of the tasks that we must continue to fulfill. Noteworthy is the task of effecting new changes in all respects as adopted by our party with a view to further promoting and expanding our traditions, achievements, and victories.

Therefore, let us strive to compete in carrying out that task for all-round achievements and create a joyous atmosphere to welcome the forthcoming fifth party congress. Let us concentrate our intelligence, energies, and all materials available on further building, promoting, and expanding our popular democratic system to rebuild Laos into a peaceful, independent, democratic, unified, and prosperous country.

Now, I would like to invite the commanding chief of the rally to launch the parade displaying the achievements of the past 15 years. Thank you. [applause]

Phoumi Vongvichit Addresses Well-Wishers

BK0112150290 Vientiane Domestic Service in Lao 1200 GMT 30 Nov 90

[Speech by Phoumi Vongvichit, member of the Party Central Committee Political Bureau and acting president of the republic, delivered during the courtesy call by members of the diplomatic corps and representatives of internationl organizations to Laos at the presidential office in Vientiane on the occasion of the 15th founding anniversary of the Lao People's Democratic Republic on 30 November—recorded]

[Text] Your Excellency Dean of the Diplomat Corps [Vietnamese Ambassador Nguyen Xuan],

Respected members of the diplomatic corps,

Representatives of international organizations and wives,

Ladies and gentlemen,

On behalf of the Lao People's Revolutionary Party Central Committee, the Supreme People's Assembly, the Council of Ministers of the Lao People's Democratic Republic, and the Lao people in the entire country, I wish to express our deep gratitude for the best wishes and the spirit of solidarity and sincere friendship you have extended to us on the occasions of the 15th founding anniversary of the LPDR and international new year 1991.

Respected members of the diplomatic corps and representatives of international orgnizations,

Ladies and gentlemen,

We, the Lao people from north to south, are joyfully welcoming our great event by exerting our efforts in emulation campaigns to score outstanding achievements in all spheres of our socioeconomic and political life to fulfill the targets stipulated by the second 5-year state plan, from 1986 to 1990, thus continuing to carry out the two strategic tasks of national defense and construction laid down 5 years ago by the historic session of the people's representatives nationwide. The great and comprehensive achievements scored by our Lao multiethnic people during the past 15 years have constituted a firm foundation for the development of the LPDR in years to come. The popular democratic system at all levels has been continuously improved on the basis of enlarged democratization so as to create

conditions conducive for the working people to play greater and more effective roles in the management and administration of localities and the country. The country's economic policy and economic management mechanism have also been improved and renovated, thus activating potentials of various economic sectors in society, expanding good circulation networks, promoting free and legal trade, broadening economic relations and cooperation with foreign countries, renovating the backward economic foundation which was devastated during war times, and improving and upgrading the multiethnic people's living conditions. We have also scored numerous achievements in education, public health, cultural, and social works which have guaranteed better physical and mental health for the people. The country's legal system has been established and continuosly renovated to bring about legitimate rights of citizens and social justice and stability. Due attention has also been reserved for the tasks of defending the country and maintaining peace and order to secure national independence, sovereignty, territorial integrity, and social peace and order in the LPDR.

In the international arena, the LPDR has making endeavors to establish friendly relations, mutual understanding, cooperation, and goodneighborliness with all nations both far and near for the benefit of peace, friendship, mutual trust, and cooperation on the basis of equality and mutual interest.

Your excellencies,

Ladies and gentlemen,

The achievements registered by our Lao people during the past period cannot be separated from the empathy and consistent, valuable, and sincere support and cooperation rendered by the peoples and governments of all countries and all international organizations which are represented here.

Once again, I, on behalf of the Lao Government and people, would like to express our sincere gratitude and gratefulness to you at this place.

As new year 1991 is approaching, I wish you all good health, happiness, and successes in your noble tasks and ask you to convey our sincere best wishes to your party leadership, governments, and international organizations. I wish the peoples of your countries good health, longevity, and happiness. May the upcoming year 1991 be the year of peace, friendship, cooperation, and prosperity for all nations in the world. Thank you. [applause]

Bomb Explodes in Vientiane 29 Nov; No Injuries

BK0112005190 Bangkok THE NATION in English 1 Dec 90 p 1

[By Kawi Chongkhittawon]

[Text] Vientiane—Security has been tightened in this Laotian capital following a bomb explosion near the Thai Embassy on Thursday night.

Road blocks and checkpoints were set up at various city intersections leading to the fairground of Wat That Luang, the venue for the celebration of the 15th anniversary of the Pathet Lao victory on Sunday [2 December].

It will be the biggest celebration ever, since the current leadership overthrew the US-backed right-wing government on Dec 2, 1975.

A Thai official said the bomb went off at around 8.30 pm in front of the living quarters of Soviet diplomats, which is located near the Thai Embassy on Phonekheng Road. Nobody was injured.

Police immediately cordoned off the area where the bomb exploded. There was no official reaction to the incident.

In April and May this year, a series of bomb explosions occurred in the capital but caused no injuries. In the past, the government here put the blame on the anti-Pathet Lao resistance movement, which is based in Thai border provinces, in their continuous effort to undermine the government's security.

Thursday's explosion came as Laotian leaders placed a lot of emphasis on security around the capital in preparation for the Dec 2 celebration.

Leaders from Indochinese countries and other socialist countries are scheduled to arrive here for the event.

Two More Bombs Explode

BK0312070590 Hong Kong AFP in English 0607 GMT 3 Dec 90

[Text] Vientiane, Dec 3 (AFP)—Two small bombs exploded at the weekend in Vientiane before ceremonies marking the 15th anniversary of the Lao People's Republic, diplomats said here Monday.

They said the explosions, which caused no damage or injury, occurred near the home of a Soviet diplomat late Friday and in a suburb of the capital late Saturday respectively.

Several such attacks have taken place this year in Vientiane. They are blamed on anti-communist guerrillas based in Thailand who operate sporadically in Laos.

PASASON Editorial Marks National Day

BK0112124690 Vientiane KPL in English 1036 GMT 1 Dec 90

[Text] Vientiane, December 1 (KPL)—"Tomorrow (Dec 2) the entire Lao people will celebrate a grand national festival. The day marking the total victory of the national salvation struggle and the end of the feudal system" PASASON editorially hails the event, adding that it has opened a new era for the Lao nation to march to a period of building and perfectioning the people's democratic regime.

Speaking of the victory, PASASON, the organ of the Lao People's Revolutionary Party [LPRP] CC [Central Committee], said that it did not come about by chance, but it was the fruit of 30 years struggle filled with sacrifices, the victory of which was realized thanks to the guidance of the party.

Fifteen years following the event of Dec 2, 1975, the Lao people had undergone various tests and trials due to inherent socioeconomic state of backwardness and enemy's attempts coming from all directions. But thanks to the able guidance of the Lao People's Revolutionary Party, the vanguard of the people, the people of all ethnic groups in Laos could overcome the various obstacles including unfavourable weather conditions at times, as well as difficulty in healing the wounds of war.

The editorial goes on to praise the introduction of the economic restructuring policy which has come into effect in the last few years. The result of this new policy, the paper says, first of all has gradually transformed the once subsistence national economy into a market-oriented economy which has resulted in higher productivity, expansion of traffic of goods and markets.

These achievements, the paper adds, would lay favourable foundation for the development of the nation in accordance with its restructuring policy.

PASASON goes on to elaborate that the gain is realized because of the correct policy coupled with the clear-sighted and devoted leadership of the LPRP. It is also due to the special relations and all-round co-operation between Laos, Vietnam and Cambodia, the cooperation between Laos and the Soviet Union, the cooperation and friendship between Laos and the People's Republic of China as well as the sympathy and support received from friendly countries near and far and the international organizations. All these, the editorial adds, are priceless support that the Lao people will always remember.

Despite these initial successes in various fronts, says the paper, the country is still facing the state of underdevelopment in many fields, and no doubt the crises in fraternal countries will affect the restructuring efforts in Laos. Consequently, the people in the entire country will have to exercise the policy of self-dependence in fulfilling socioeconomic as well as defence and security tasks. This will automatically imply that the people will have to consolidate even more their unity and rally behind the party, says the editorial of PASASON.

Leaders Send Greetings on National Day

Soviet Leaders Send Message

BK0312135990 Vientiane Domestic Service in Lao 1200 GMT 3 Dec 90

[Text] On 2 December, General Secretary and Chairman of the Council of Ministers Kaysone Phomvihan, Acting President Phoumi Vongvichit, and Chairman of the Supreme People's Assembly of the Lao People's Democratic Republic [LPDR] Nouhak Phoumsavan received a message of greetings from Mikhail Gorbachev, general secretary of the CPSU Central Committee and president of the USSR, Anatoliy Lukyanov, chairman of the Presidium of the Supreme Soviet, and Nikolay Ryzhkov, premier of the USSR, on the 15th anniversary of the founding of the LPDR.

In the message, the Soviet leaders warmly congratulated our Lao leaders and through them, all Lao people and friends. They wished them great successes in carrying out the planned restructuring for the happiness and prosperity of Laos.

The Soviet leaders also pointed out that Laos is progressing along the path of profound changes. Laos' foreign policy, which is aimed at guaranteeing peace and security for Southeast Asia, achieving a comprehensive settlement of the Cambodian problem, and strengthening friendly relations between the LPDR and the neighboring countries, is becoming more and more powerful and contructive with each passing day. Special satisfaction is being expressed at the fact that Soviet-Lao relations are continuing to strengthen and develop alongside growing mutual understanding between the two sides. As a result, the quality of the said relations has been improved on the basis of exploring for effective and positive use of new forms of cooperation for mutual benefit.

PRC Leaders Send Message

BK0112035890 Vientiane Domestic Service in Lao 0000 GMT 1 Dec 90

[Text] On 30 November Comrade General Secretary Kaysone Phomvihan, chairman of the Council of Ministers; Comrade Phoumi Vongvichit, acting president; and Comrade Nouhak Phoumsavan, chairman of the Supreme People's Assembly [SPA], received a 2 December National Day greetings message from Comrade Jiang Zemin, general secretary of the CPC Central Committee; Comrade Yang Shangkun, president of the PRC; Comrade Li Peng, premier of the PRC Government; and Comrade Wan Li, chairman of the National People's Congress Standing Committee.

In addition to expressing best wishes to our party leaders and, through our comrade leaders, to the Lao People's Revolutionary Party Central Committee, the Council of Ministers, the Supreme People's Assembly, and the multiethnic Lao people, the message also said in part:

China and Laos are neighboring countries of friendship, whose mountains and forests are connected and rivers joined with one another. The CPC, the Chinese Government, and the Chinese people highly cherish the friendship relations and fraternal solidarity between the two countries as well as the traditions of friendship between the peoples of the two countries. We are elated to see that, through our joint endeavor, the friendship relations between the two countries in various fields are being restored and developed. We hope and believe that the friendly relations of neighborliness between the two

countries—China and Laos—will be continually strengthened on the basis of the Five Principles of Peaceful Coexistence.

SRV Leaders Send Telegram

BK0112125090 Vientiane KPL in English 0928 GMT 1 Dec 90

[Text] Vientiane, Dec 2 (KPL)—Mr. Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party [LPRP] Central Committee and chairman of the Council of Ministers, Mr. Phoumi Vongvichit, the acting president of the Lao People's Democratic Republic, and Mr. Nouhak Phoumsavan, president of the People's Supreme Assembly, today received a telegram of greetings from Vietnamese leaders on the occasion of the 15th national day, December 2nd 1990.

The telegram was jointly signed by Mr. Nguyen Van Linh, general secretary of the Communist Party of Vietnam, Mr. Vo Chi Cong, president of the State Council, Mr. Do Muoi, president of the Council of Ministers of Vietnam, and Mr. Le Quang Dao, president of the National Assembly.

The telegram points to the brief history of the unyielding struggle by the Lao people under the brilliant guidance of the LPRP for national liberation in the past and the national defence and construction over the past 15 years.

The Lao PDR has stood firmly against subversive schemes and action by reactionary forces in and outside the country. Its economic and cultural development is being stepped up. Laos's role and prestige has been raised in the international arena.

The Vietnamese leaders have expressed their rejoice to see that the militant solidarity, the special friendship and all-round cooperation between Vietnam and Laos have developed constantly. They also affirm that the party, state, and people of Vietnam will do their utmost to promote the traditional solidarity and friendship between the two peoples and to promote and raise the efficiency of the economic, cultural, scientific, and technical cooperation between the two countries on the basis of the respect of independence, sovereignty, equality, mutual benefit, and assistance.

On this occasion the party, state, and people of Vietnam express profound gratitude to the party, state, and people of Laos for the latter's valuable support and assistance to the revolution of the Vietnamese people.

Philippines

Aquino Launches Venture With Japanese Firms

OW0112110190 Tokyo KYODO in English 0911 GMT 1 Dec 90

[Text] Manila, Dec. 1 KYODO—President Corazon Aquino on Saturday launched a multimillion peso joint industrial estate venture with Japanese firms, saying it is proof that last December's coup attempt has failed to drive away foreign investors from the Philippines.

The Laguna Technopark, some 44 kilometers south of the capital, comprises a 344-hectare estate established by Ayala Corp., a leading Philippine real estate development conglomerate, and Japan's Mitsubishi Corp. and Kawasaki Steel Corp.

"These (companies) share a bullish attitude toward the future of our economy despite the temporary setbacks caused by recent natural calamities and the futile adventurism of military renegades, leftist terrorists, and rightwing radicals," Aquino said in a speech during the technopark's inauguration ceremony.

"The size of this project in terms of land area as well as investment cost gives a clear indication of the amount of confidence that the participating companies harbor in our country," she pointed out.

Three of the four companies which will build factories in the technopark are Japanese subsidiaries, Honda Cars Philippines Inc., Fujitsu Ten Corp. of the Philippines, and the Matsushita group of companies.

Honda will establish a car manufacturing plant, Fujitsu Ten will produce car stereo systems, while Matsushita will manufacture floppy disk drives and electronic home appliances.

More than 50 foreign and local firms are expected to operate in the 1.2 billion peso Laguna Technopark.

"Ayala Corporation and their partners ... are leading the way to our country's economic recovery by looking at business prospects from the long-term perspective and confidently pushing ahead their projects," Aquino said.

Mitsubishi representative Hideo Noguchi said it was the first time that the Japanese zaibatsu, which has a 19.1 percent equity stake in the joint 220 million peso venture, has engaged in a real estate development project in the country.

"It is our firm belief that the Philippines presents a broad range of attractive opportunities for Japanese companies. I say this because of an emerging trend right now of what can be termed as an international division of production," he said.

"We are looking to play a long-term role in this country's continued progress and are serious about becoming a part of the growth and the prosperity that we foresee for the Philippines," he said.

The Japanese have led other foreign investors during the first nine months of 1990, registering 6.46 billion pesos worth of projects.

Japan Increases Loans With New Program

HK0312035190 Manila BUSINESS WORLD in English 3 Dec 90 p 2

[Text] The Japanese Government's new loan program which gives economic assistance directly to non-governmental organizations (NGOs), has shifted to high gear after finalizing agreements with three more beneficiaries in the Philippines.

Takeshi Yagi, chief of the Japanese embassy's economic division, said in a press statement that this brings to a total of seven Philippine NGOs which have benefited since the new program started last year.

All told, these seven projects have been granted $181,000 (about P [peso] 5M [million]), making the Philippines one of the largest recipients of his scheme.

Mr. Yagi described the three projects as: (1) contributing to the reforestation efforts at the O'Donnel River watershed area in Capas, Tarlac; (2) a job training project that will make a community in Davao City more self reliant; and (3) a rice production improvement project in Lucban, Quezon.

Positive Impact

Mr. Yagi said the projects were chosen on the basis of their positive impact on the lives of those at the grassroots level. Among the equipment that will be funded by the grant are bulldozers; training equipment for carpentry/garment-making/auto repair; rice mill and mechanical dryer.

In the past, the Philippine projects funded by this new scheme involved wells for drinking water, agricultural machinery and even establishment of day-care centers.

"There is no condition on the sourcing of these equipment since the grant is not tied to Japanese suppliers," Mr. Yagi said.

The new aid modality enables the Japanese Government's diplomatic missions to give small-scale grants directly to NGOs without having to undergo the trandi-tional government channels.

Under the traditional route, it takes one to two years to finalize a government grant. With this new scheme, the Japanese embassy selects and processes the project approval in less than six months. "Previously, requests from NGOs for small amounts of aid could not be accommodated. This new loan program enables the Japanese Government to provide a prompt response that effects direct benefits at the grassroots level," he explained.

Government To Ask IMF for $700M in Loans

HK0312040490 Manila THE MANILA CHRONICLE in English 3 Dec 90 p 11

[By Arleen C. Chipongian]

[Text] The government will seek new loans amounting to about $700 million [M] in exchange for a new economic stabilization program with the International Monetary Fund (IMF), Central Bank Governor Jose Cuisia Jr. said.

He added that the $400 million loan from the IMF's compensatory and contingency financing facility (CCFF), which the country did not avail itself of as part of the junked extended fund facility (EFF) program that should have been in place until 1991, would be included in the new economic stabilization program with the IMF.

But Cuisia admitted that the $706 million in foreign loans tied to a new IMF program would not be disbursed until after a new program had been put in place despite the completion of negotiations last Thursday.

The new program is expected to be finalized in January next year after the IMF executive board receives the letter of intent (LOI) of the Philippine government.

The international creditor community is awaiting for the final LOI, a document containing economic policy directions over the next two years, before committing new loans to the Philippines.

The LOI will include the phaseout of the oil subsidy, which is perceived to be draining the government of needed revenues, more tariff reforms, a sustained trade liberalization program and the reactivation of the debt-to-equity conversion scheme.

The new IMF program will replace the EFF program in place since 1989. Under the EFF, the IMF provided some $820 million in loans as well as the compensatory financing loan of $400 million.

Of the $820 million, only $170 million had been drawn by the Philippines while no disbursement had been made from the CCFF, which is available to countries whose balance-of-payments position is adversely affected by external shocks like the oil crises or big drops in world market prices of their prime export commodities.

The country's availment of an 18-month standby arrangement means that the economic performance of the country would be under strict monitoring by the Fund.

This arrangement calls for a quarterly review of the economic performance according to parameters set by the Fund, mostly consisting of monetary and fiscal targets like money supply and foreign borrowings of the country. Under the previous EFF program, the reviews were done every six months.

The country sought for a new Fund program following its repeated failure to comply with the commitments in the EFF.

Negotiations with the IMF were completed last week after three consecutive weeks of talks between Philippine economic officials and a visiting IMF mission.

Aquino Ready To Name De Villa's Successor

HK0312113590 Quezon City Radyo Ng Bayan in Tagalog 1000 GMT 3 Dec 90

[By Anna Soriano; italicized portions in English]

[Text] President Corazon Aquino will announce Armed Forces Chief of Staff General de Villa's successor on Armed Forces Day, 21 December. General de Villa is set to retire 23 January 1991. The full report from Anna Sorian:

[Begin recording] [Soriano] The president said she has interviewed De Villa's possible successors, but refused to identify the candidates.

[Aquino] *Well, I have finished interviewing the candidates and in fact before General de Villa left, I told him that when he comes back, I will like to discuss with him again about these candidates. And in fact before, I have told him that perhaps on Armed Forces Day I could already make the announcement on who General de Villa's successor will be.*

[Soriano] General de Villa is presently overseas for a week-long goodwill visit to Thailand and Singapore. President Aquino named Armed Forces of the Philippines Vice Chief of Staff Major General Rodolfo Biazon as acting chief of staff while De Villa is out of the country. The two countries' highest ranking military officers visited the Philippines earlier. [end recording]

Meanwhile in Bangkok, Thai Supreme Commander General (Somthorn Consumpong) honored General de Villa, who received a Knight Grand Cross First Class Award from King Phumiphon Adunyadet. General de Villa is set to leave Thailand for Singapore on Wednesday.

Crime, Insurgency Said PC-INP Priorities

HK0312041990 Manila PHILIPPINE NEWSDAY in English 3 Dec 90 p 3

[Text] Major General Cesar P. Nazareno, PC [Philippine Constabulary] chief and Integrated National Police [INP] director general, yesterday said that anti-criminality and counterinsurgency remain the top two operational priorities of PC-INP field units.

He directed regional and field unit commanders to make full use of the allocation and utilization of their resources in anti-criminality and counterinsurgency to maximize the operational effectiveness of field commands and line units in addressing the two top operational priorities of the command.

Nazareno said that unit commanders must develop and implement crime prevention programs, increase crime solution efficiency, follow up and reduce the number of unsolved major and sensational crimes, maximize enforcement of criminal laws and enforce special laws where the PC-INP is the lead agency or office primarily responsible.

In counterinsurgency, Nazareno said that all PC-INP units must give priority attention to the pre-consolidation of unaffected barangays," deinfluencing" of affected barangays and strengthening the defense and security of city and town centers.

The PC-INP chief also said that field unit commanders must initiate the continuous training of personnel on value formation, psychological operations, ideology and nationalism to prepare them physically and emotionally for field assignments.

Nazareno said that pure conventional warfare is not totally effective in the fight against insurgency.

The PC-INP chief said that the other operational areas to be addressed by the command according to their order of priority are the ultra-rightists, secessionist groups, public safety activities, peculiar operations like security coverage for dignitaries, and enforcement of special laws where the PC-INP is not the lead agency or office primary responsible.

In a command conference for all Luzon-based regional commanders held at the Capital Region Command headquaters at Camp Bagong Diwa, Nazareno directed field commanders to intensify their campaigns against all forms of criminality, notably carnapping and bank robbery which registered slight increase as compared to that of last year.

Four Said Killed in Negros Occidental Encounter

HK2611045790 Manila DIYARYO FILIPINO in Tagalog 26 Nov 90 pp 1, 7

[By Fer Taboy]

[Text] Three New People's Army [NPA] rebels and a soldier were killed in an encounter last Saturday in Silay City, Negros Occidental. In Davao Oriental, NPA rebels attacked and burned the Department of Environment and Natural Resources [DENR] building in Sitio Banahaw, also on Saturday.

Killed was Sgt. Alexander Albasin of the Philippine Navy. The three slain rebels were not yet identified.

According to a report received by Major General Cesar P. Nazareno, Philippine Constabulary-Integrated National Police chief, the rebels burned the DENR's multi-purpose nursery in sitio Banahaw, barangay Sudlon in Davao Oriental. The report did not state how much property was destroyed.

The encounter between the government soldiers and the NPA occurred in Hacienda Alasigan Hilago, Barangay Bagtig, Silay City, Negros Oriental. The rebels were headed by Radito Palon alias Comrade Rady.

Communists Seize Davao Military Checkpoint

HK0312035390 Manila MANILA BULLETIN in English 3 Dec 90 p 8

[By Wilma N. Yamzon]

[Text] New People's Army (NPA) rebels seized a military checkpoint, burned two trucks, and kidnaped an Army sergeant and five militiamen in Panabo town, Davao del Norte over the weekend, reports reaching Camp Crame said yesterday.

A report to Maj. Gen. Cesar Nazareno, PC-INP [Philippine Constabulary-Integrated National Police] chief, said about 40 heavily armed guerrillas attacked the military checkpoint near the Department of Environment and Natural Resources (DENR) office in barangay Kangangohan and occupied it for a few minutes before fleeing.

While manning the checkpoint, communist guerrillas flagged down two vehicles—a Ford Fiera and a Nissan van—passing sitio Pilar in Panabo and burned these vehicles, the report said. The rebels ordered the passengers to alight and divested them of cash and valuables.

Reports said among the passengers of the trucks were Army Sgt. Jorge Alcuizar and militiamen Ricardo Arsenal, Vicente Bayog, David Asucena, Rene Duraleg, and one Solis. The six passengers were held hostage by the rebels, the military said.

Reports said the military men attempted to fight but failed because they were outnumbered.

Earlier, communist guerrillas attacked a joint team of PC-Citizen Armed Forces Geographical Unit (CAFGU), also in barangay Kagangohan.

Rebels were about to seize another government checkpoint when reinforcement troops arrived at the area, forcing them to retreat to the mountains, it was reported.

The military said the kidnaping by rebels in Panabo was the latest of a series of offensives launched by the NPA in the South.

A week ago, rebels infiltrated a strike by workers in the Davao del Sur, causing violence in some parts of the province.

Meanwhile, Camp Aguinaldo announced yesterday that two Army soldiers held hostage by the NPA had been released in Lianga, Surigao del Sur. The soldiers were kidnaped by the NPA in sitio Matanog, San Isidro, Lianga last Nov. 23.

Seventeen People Killed in Separate Encounters

HK0312102790 Manila DIYARYO FILIPINO in Tagalog 3 Dec 90 pp 1, 7

[By Dan Ambrocio and Fernando Taboy]

[Text] The Philippine Constabulary-Integrated National Police [PC-INP] announced yesterday the surrender of the second highest official of the Communist Party of the Philippines-New People's Army [CPP-NPA] in Bulacan. Following this was the capture by the Constabulary of two suspected NPA assassins who raided Panasahan, Malolos in the same province.

Camp Crame also reported that 17 people were killed in separate encounters between rebels and government troops in Eastern Samar and Iloilo last Friday.

According to Lieutenant Colonel Efren Fernandez, Bulacan PC-INP chief, surrendering to Calumpit Police Chief Lieutenant Joel Flores was Rufino Faustino, alias Comrade Rufo, chief of the rebels operating in the towns of San Miguel, San Ildefonso, San Rafael, Baliuag, Plaridel and Calumpit.

Faustino was suspected of heading the rebels' group who burned a Baliuag Transit bus on the Maharlika Highway, barangay Anyatam, San Ildefonso during the national strike on 24 October.

Captain Francisco Villaroman, commander of the 171st PC company, identified the arrested rebels as Renato Oliveros, alias Comrade Andy, and Rodolfo Mercado, alias Comrade Anding, both residents of barangay Panasahan, Malolos, Bulacan, and said to be active NPA hit squad members in Bulacan.

It was learned that Villaroman's men raided a suspected rebel camp in barangay Panasahan, a few km from the PC-INP headquarters in the capital, Malolos, after receiving a report stating that the insurgents were camped there.

The military confiscated two .38 caliber revolvers and an M-30 carbine rifle from the rebels.

It was reported that the NPA rebels are now undergoing tactical interrogation after they were moved from PC-INP Regional Command 3 to Camp Olivas in San Fernando, Pampanga.

According to Fernandez, the raided safehouse in barangay Panasahan was the fourth suspected camp overrun by the authorities in the last month.

Recently, the military raided two suspected CPP-NPA camps in barangay Bagna and one in barangay Atlag, both located in Malolos.

With the arrest and surrender of the NPA rebels it is said that there has now been a total of 118 suspected active CPP-NPA members fall into the hands of the authorities since the launching of operation "Somewhere" on 13 July.

In Laoag City, the military doubt the reported abduction of San Nicolas, Ilocos Norte Mayor Benjamin Madamba by rebels. This after the NPA's Franklin Areola command denied the existence of a certain Comrade Brando,

who is allegedly negotiating for the release of the mayor. The NPA said Tuesday that there is no Comrade Brando in their party.

According to Colonel Robert Manlongat, 503d Infantry Brigade commanding officer, Madamba may have been abducted by armed men posing as NPA rebels in order to demand money for the official's release. Since Madamba's abduction last 8 November, there has never been any concrete evidence showing that the mayor is in the hands of the rebels, Manlongat added. He gave an assurance that the military will find out the truth in the near future and asserted that all military operations in the province would remain suspended.

It was previously reported that Madamba was abducted at a checkpoint set up by the rebels on the national highway of San Nicolas and is allegedly facing trial before the CPP-NPA People's Court.

In this connection, the CPP-NPA announced they had not forged an alliance with the rebel soldiers who attempted to launch a coup d'etat against President Aquino. "We continuously fight the oppressors through revolution, and not through coups d'etat, palace revolutions, and other struggles which are not in the interests of the people," the CPP-NPA stated.

General Renato de Villa, Armed Forces of the Philippines chief of staff, said last week the rebel soldiers have aligned with the communists in order to topple Mrs. Aquino. The rebel soldiers announced recently they have started their talks with the communists in relation to a possible merging of forces.

The CPP-NPA denied the reports and said they cannot consider the rebel soldiers as allies until they renounce imperialism and fascism.

Meanwhile, 15 people were killed in an encounter between communist rebels and the military in Eastern Samar. In a report received by PC-INP chief Major General Cesar Nazareno from the office of Recom [Regional Command] VIII chief Col. Vicente Garcia Jr., it was learned that 11 rebels, one soldier and two militiamen were killed in an encounter in barangay Santo Nino, Sulat at about 1015 on Friday. One of the victims was identified as Ernie Villasin, a member of the Citizens Armed Forces Geographical Unit [CAFGU].

Before the encounter, about 100 NPA rebels riding in passenger jeeps raided the Santo Nino CAFGU detachment and set up a checkpoint from barangay San Mateo to barangay Santo Nino in the said town. Troops from the 14th Infantry Battalion, led by Philippine Army Lt. Bernardo Tiamzon, immediately sent reinforcements and, after a brief encounter, about 20 rebels withdrew to barangay San Mateo. The military gave chase and a one-hour fight ensued. The rebels retreated and left behind 11 dead comrades. Three government soldiers were killed in the encounter, while a civilian was hit by a stray bullet which resulted in his death.

Meanwhile, two NPA rebels were reported to have died in an encounter in sitio Pinamulatan, barangay Tabugan, Kabankalan, Iloilo. According to a report, the Alpha Company of the Philippine Army's 61st Infantry Battalion encountered some 20 NPA rebels collecting taxes in the barangay. The encounter took place at about 1100 and resulted in the killing of two rebels and the arrest of a female NPA member identified only as Comrade Evelyn. Two Philippine Army soldiers were seriously wounded and were brought to the Kabankalan Provincial Hospital.

Policeman Killed in Ambush; Station Attacked

HK0312091190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 3 Dec 90

[Italicized portions in English]

[Text] Three armed young men ambushed two Central Police District members at the corner of Araneta Avenue and P. Rodriguez Boulevard in Quezon City at 1035 this morning. The two policemen were in their car, number 116, when the suspects riddled them with bullets. Patrolman First Class Reynaldo Tano was dead on arrival at the E. [expansion unknown] de los Santos Hospital, while his colleague, Patrolman Robert So was in critical condition in the said hospital. Tano died due to several bullet wounds to various parts of his body.

Meanwhile, the Central Police District's Sub-Station 1 in Barangay Kuliat, Quezon City was peppered with bullets fired from high-powered guns and a grenade was also hurled into the station by four suspected New People's Army members. The incident occurred at about 1245 today. The suspects, riding in a blue Toyota Corolla with plate number NLV-107, abruptly stopped in front of the detachment and immediately showered the building with bullets fired from their Armalites, .45 calibre guns, and M-23's, their shots focused on Commanding Officer Lieutenant Rogelio Quitoriano's office. Quitoriano was out at the time, attending a meeting at the Central Police District headquarters. Based on the initial investigation by the group under Station 2 Commander Major Enrique Robles, who has jurisdiction over the sub-station:

[Begin recording] [Robles] *The target was the commanding officer because most of the bullets struck the office of the commanding officer, as you can see there. I assume also that the objective of these people was to harass the sub-station.*

[Reporter] Why, sir?

[Robles] *Because if their mission is to wipe out, they can easily wipe out the personnel, because the first outburst of the gunfire, the personnel of the sub-station lay down. So at that position, the personnel was in a helpless position.* [end recording]

However, two police aides and People's Patrolmen, Benzon Magpantay and Roberto Datu, were hit by stray

bullets. Magpantay is under medical treatment at the East Avenue Medical Center. Before the suspects fled, they hurled a grenade at the Central Police District but it failed to explode. Investigation is continuing while police personnel are guarding not only Sub-Station 1 in Kuliat but also other police stations in Quezon City.

Editorial Sees Rightists As Military Scapegoats

HK0312033790 Manila PHILIPPINE DAILY INQUIRER in English 3 Dec 90 p 4

[Editorial: "Has the Military Found a Scapegoat in Rightists?"]

[Text] The other day, Maj Gen Cesar Nazareno, the chief of the Constabulary, raised new charges against the Rebolusyonaryong Alyansang Makabayan-Soldiers of the Filipino People (RAM-SFP) [Reform the Armed Forces Movement-Soldiers of the Filipino People] renegades of Gregorio Honasan and Jose Ma Zumel.

He said the rebel soldiers have, of late, resorted to car thefts and bank robberies in an effort to raise the money they need for their destabilization campaign. As a result, Nazareno said, there has been a perceptible rise in car thefts and bank robberies this year. He said that from January to October, a total of 581 vehicles were stolen and that at least P [peso] 68 million in cash were taken from 52 banks nationwide, P50 million of which was robbed from 36 banks in Metro Manila.

"The rebel troops," Nazareno told a command conference in Camp Bagong Diwa in Bicutan, "have been resorting to carnapping and bank robberies in their desperate attempt to destabilize the government."

The rebel soldiers are also being blamed for the spate of bombings in Metro Manila. The official reason is that of the three groups fighting the government, only the rightists have the capability and the expertise to launch such bombing attacks. Thus, military probers looking into bombings or attempted bombings in the metropolis always make it a point to stress that the explosives found at the scene were the type believed to have been stolen by the rightists from military arsenals, that the suspects were in fatigues or that they identified themselves as rebel soldiers.

There had been instances when the military theories on bombings conflicted with those of their victims. A case in point was the bombing of the house of Justice Secretary Franklin Drilon which Gen Renato S. de Villa promptly labeled as communist-instigated but which Drilon blamed on the rightists. But by and large, the bombings—in fact, just about every criminal activity in the metropolis—had been blamed on the rightists. So much so that were it not for the early admission by the Alex Boncayao Brigade Sparrows that they were behind the violence that marred the recent Welga ng Bayan [Nationwide Strike], this would also have been pinned on the rightist soldiers.

What we're saying is while it may be all right to say that the rightists have become the No. 1 enemy of the people because of the coup attempts they have launched, it does not seem right to blame them for every conceivable crime in the book, as in the case of the car thefts and bank robberies. That would be taxing the credulity of people, particularly those with a long memory.

It was not too long ago when Southern Luzon Command [SOLCOM] authorities virtually admitted that some rogue soldiers and policemen in the SOLCOM were behind the daring bank robberies and car thefts in the metropolis.

We hope there is no truth to the growing perception that the top officials of the AFP [Armed Forces of the Philippines] have found in the rightist rebels a convenient scapegoat for the criminal activities of scoundrel soldiers they cannot seem to boot out of the service.

Thailand

Department Disputes U.S. Stand on Air Talks

BK0112083090 Bangkok Domestic Service in Thai 0000 GMT 1 Dec 90

[Text] The Aviation Department issued a statement clarifying the 23 November U.S. statement concerning the U.S. stand on Thai-U.S. aviation talks. The department said that not all details of the U.S. statement were true. In fact, the United States has tried with every means to continue to maintain the 1979 Thai-U.S. aviation service agreement, under which Thailand was at great disadvantage. All measures proposed by the United States to satisfy the Thai side would only be a temporary solution. The Thai side cannot accept them because we want a permanent solution to the existing unfair clauses.

Burmese Border Checkpoint Closed After Blast

BK0212153290 Bangkok Army Television Channel 5 in Thai 1230 GMT 2 Dec 90

[Text] Burmese authorities have ordered the border at Mae Sot District closed indefinitely after the 27 November explosion at the Burmese customs checkpoint in Myawadi, opposite Ban Dimoci in Tambon Tha Sailuat, Mae Sot District, Tak Province, in which seven Burmese were wounded. Thai border officials at Mae Sot District reported that while clearing the explosion site the next day Burmese soldiers found three more booby traps. Burmese authorities have also arrested 21 suspects. They include security guards and Burmese students who were once active in Myawadi. The 21 suspects have been sent to Rangoon for further investigation.

The situation on both sides of the border has become tense following the border closure. No long-tail boats could be seen plying the Moei river. There were only armed Burmses soldiers guarding Myawadi Town. Border trading has come to a halt. Tourists were not allowed to cross the Moei river. This happens every time

there is an explosion at the border. The situation would certainly affect the economy of Tak Province. Anyway, the Burmese authorities would reopen the border again once the situation has improved.

Hungarian Foreign Minister Urges Investment

BK0212032290 Bangkok THE NATION in English 2 Dec 90 p A4

[By Atthawibun Srisuworanan]

[Text] Hungarian Foreign Minister Geza Jeszenszky said yesterday that Hungary and Thailand are soon to sign two economic and social agreements, marking the increase in cooperation that has taken place since the eastern European country embarked on social and economic reforms.

Jeszenszky today begins a four-day visit to Thailand, in which he said he plans to make a deep and comprehensive reivew of bilateral relations.

The visit is the first by the foreign minister, who took office after the first free elections in 40 years were held in May, and comes at a time when Thailand is putting more emphasis on its ties with Eastern Bloc countries, particularly in the areas of trade and economic cooperation.

In a written-answer interview through the Hungarian Embassy in Bangkok with THE NATION, Jeszenszky said the agreements were codes on protecting mutual investments and on easing visa procedures which he said would provide favourable legal conditions for further cooperation.

The two countries established a joint commission on trade in 1985.

At the moment, economic cooperation and the volume of two-way trade "is lagging behind the economic potential of our countries," he added.

The Hungarian minister claimed that he was confident that the privatization of the Hungarian economy and the development of a market economy would provide new opportunities for Thai goods and capital in his country, adding that Hungary had almost completely liberalized import regulations.

He said some Thai companies were exploring the possibility of making use of the central location of Hungary as a "stronghold" from which to expand their business in eastern and western Europe. Hungary's traditional expertise in trade, its relatively low wages and a quickly improving infrastructure were cited as providing favourable conditions for Thai firms to invest there, he added.

The visiting minister also called on Thai participation in what he said was Hungary's need of massive investment using foreign capital to develop its economy.

Strengthening Hungary's position in the Thai market is also the country's goal, as it would like to expand trade and economic cooperation in this region, said Jeszenszky, who stressed that his country wanted to join the Thai "economic offensive" in Indochina, which comprises Laos, Vietnam and Cambodia.

He said the Indochinese countries had also shown an interest in a Hungarian-Thai joint presence in their markets.

Included in the possibilities for Hungarian-Thai economic cooperation, Jeszenszky proposed the establishment of joint ventures, technology transfers and third market operations. "We feel that sophisticated industrial products should constitute a much greater proportion of our exchanged goods than they have so far," he said.

Thailand and Hungary signed an agreement eliminating double taxation during the visit to Thailand of Deputy Prime Minister Peter Medgyessy in October 1989.

Jeszenszky is to be granted an audience with HRH Crown Prince Maha Wachiralongkon and is scheduled to meet Deputy Prime Minister Thongyot Chittawira and hold intense discussions with his counterpart, Foreign Minister Subin Pinkhayan.

Body To Study China Joining Mekong Committee

BK0112023990 Bangkok THE NATION in English 1 Dec 90 p A2

[Text] Thailand and China will set up a joint working group to study the possibility of incorporating the latter into the Interim Mekong Committee, Deputy Foreign Minister Amnuai Yotsuk said yesterday.

Speaking upon his return to Bangkok after a five-day visit to China, Amnuai said the development of the international Mekong River featured in discussions during the sixth meeting of a joint trade and economic commission held in Beijing between Nov 25-29.

Meanwhile, the Bangkok-based Mekong Committee concluded its 32nd session yesterday with an announcement of a "momentous approval" of plans for "mainstream development", according to the committee press release.

In an apparent response to the increasing international criticism of the negative ecological and social aftereffects of big dams, the release stressed that environmental aspects of projects will be taken fully into account. "The committee unanimously agreed to include an environmental component in all its studies," the release said.

The new executive agent of the committee, Chuck Lankester, pointed to the "clean, competitive and renewable source of energy that the Mekong River represents".

Attending the three-day meeting were representatives of the three member countries—Thailand, Vietnam and Laos—and Vietnamese Vice Minister of Water Resources Dinh Gia Khanh chaired the session.

The meeting approved the programme of work for 1991, which included a review of 21 new projects worth some US$19.5 million (Bt487.5 million), bringing the total commitment of all projects to US$106 million (Bt2.7 billion).

The committee has maintained "interim" status since the 1975 withdrawal of Cambodia, without whose participation no decisions on dam-building on the mainstream can be made. It has been unable to fulfill its mandate to provide hydro-power to countries in the region since it was formed three decades ago, due to continuous wars that have prevented construction to use the river.

Lankester had earlier this month told THE NATION that he wishes to focus on four high priority dams: Low Pha Mong, Chiang Khan, Luang Prabang and Nam Theun 1. But recent Thai-Lao negotiations have focused on Nam Theun 2, and it remains unclear which projects were given attention by the three member-countries during this week's meeting.

Lankester has shown optimism that the changing global and regional situations will create the possibility for stalled projects to begin, and for technical cooperation with China and Burma—upstream countries whose activities on the river affect the other four downstream nations.

Amnuai said he had raised the topic with the Chinese authorities following Foreign Minister Subin Pinkhayan's prior discussions with Chinese leaders early this month in Beijing.

Beijing was receptive to Subin's idea, according to Amnuai, which sees the inclusion of China and Burma in the committee.

China, which is located nearest to the river's origin, the Tibetan Plateau where the water is abundant throughout the year, had earlier shown reluctance to join the committee. Amnuai said Beijing has requested time to gather information before committing itself but agreed that Thailand and China set up a working group to exchange information and study the possibility of Chinese membership in the Committee.

'Payment Problems' Affect Rice Export to USSR

BK2711024390 Bangkok BANGKOK POST in English 27 Nov 90 p 19

[Text] Payment problems have caused serious delays in shipments of Thai rice to the Soviet Union.

An informed source in the Rice Exporters' Association said yesterday that since early this month at least six Soviet vessels had decided to leave Bangkok Port with empty cargo holds after long delays in deliveries. The source said the Soviet Union failed to open a letter of credit to the Commerce Ministry for the 100,000 tons of 15 percent white rice.

Last month the Soviet Union agreed to purchase 200,000 tons of 15 percent white rice from the ministry under the "friendship" price of $273.5 FOB [free on board] a ton on a two-year credit term with an interest rate of 4 percent per annum.

The first 100,000 tons were expected to be delivered this month and the rest in December and January.

To prepare the rice for shipment to the Soviet Union, the Foreign Trade Department [FTD] decided to buy 100,000 tons of 15 percent white rice from exporters.

A source in the Thasos Shipping & Agency Co, a Soviet firm, confirmed the report and said several vessels were forced to leave Thailand without loading any bags of rice because the Soviet Union could not open a letter of credit to the FTD. He said that at present there were no vessels scheduled to dock at Bangkok Port to load the 15 percent white rice, because Export Kmelb, a Soviet purchasing company, could not solve the problem.

The source said the delaying of the Soviet shipment had created fear in the domestic market that the price of rice would fall following the new harvest.

"The same situation occurred with the Philippines, when Manila cancelled an order of 300,000 tons of rice from the Thai Government in August this year," the source said.

Local rice prices yesterday fell five baht a picul for all grades. The fall is expected to continue if the ministry cannot solve the problem with the Soviet Union.

Chatchai on Thai Role in UN-Cambodia Actions

BK0112141290 Bangkok MATICHON in Thai 28 Nov 90 p 6

[Text] On 28 November, Government Spokesman Suwit Yotmani reported on the joint meeting of permanent secretaries and ministers held at Government House. He said Prime Minister General Chatchai Chunhawan reported that during his meeting with his Japanese counterpart, the Japanese prime minister supported the Thai position on settlement of the Cambodian problem and Thailand's request for Japan to help repair the airport in Phnom Penh so that it can accommodate large aircraft, because some 20,000 members of the UN forces will be keeping peace in Cambodia. During the meeting with the Japanese counterpart, Chatchai said Thailand will probably have to help repair Highway Number 5 from the Thai border to Phnom Penh and the railway from Aranyaprathet to Phnom Penh.

According to Suwit, the prime minister assigned the Foreign Ministry to coordinate with other agencies concerned to provide lodging in Sattahip or Phatthaya and to use U-Taphao Airport for air transport of the UN force, while Highway Numbers 331 and 304 will be used for overland transport from Sattahip to Kabin Buri, Khlong Luk, and Phnom Penh.

Chatchai said some 40,000 members of the UN force and their families will have to stay in Phatthaya, thus bringing huge amounts of money into Thailand. He said electricity and hotels along the Thai-Cambodian border should be improved.

Chamnian Chawanaphong, governor of Chon Buri Province, said he has not yet received any instruction from his ministry. But if the coming of the UN force is true, Phatthaya will benefit a great deal because it is currently in a recession due to a decline in tourism after the Persian Gulf Crisis.

The governor said Phatthaya is ready to accept all members of the UN force because the water shortage problem has been partly resolved. The Map Ta Phut reservoir, which feeds water to Phatthaya, is now full and will be able to provide a continuous water supply until the next dry season. He does not expect Phatthaya to have to undertake any special measure. The provincial administration is ready to provide additional security measures and other services.

Forces Kill Khmer 'Bandit' in Prachin Buri

BK3011145690 Bangkok Army Television Channel 5 in Thai 1230 GMT 30 Nov 90

[Text] Security officials continued tracking the group of about 20 armed Khmer bandits who blocked the road, robbed, and killed a group of people travelling between Aranyaprathet District of Prachin Buri Province and Buriram Province several days ago. Members of the border patrol police and provincial police in Ta Phraya District, Army volunteers, and troops combed the area for the fourth day. Reportedly, the bandits are fleeing authorities in separate groups now.

A group of about 10 bandits was sighted today between Ban Mai Thai Thawon and Ban Nong Pru in Tambon Thappharat, Ta Phraya District, close to the site of the attack several days ago. Security officials rushed to the spot after receiving a tip-off, and clashed with the Khmer bandits at km 70 marker, 600 meters west of Aranyaprathet-Buriram road. According to a report, one Khmer bandit was killed in the clash.

Chiang Mai Administration Plans Elevated System

BK0312015090 Bangkok BANGKOK POST in English 3 Dec 90 p 28

[Text] The Chiang Mai provincial administration plans to introduce an elevated rail system as part of a broader scheme to set up a "new city". Chiang Mai Governor Phairat Decharin raised the scheme in talks with Japanese businessmen last week at the Tenth Thailand-Japan Economic Meeting.

Dr Phairat said the railway would link the old and new towns of Chiang Mai so business can carry on as normal. "I have confidence in the way the Japanese develop new cities and the effectiveness of their transportation systems linking big cities," he said. "The bullet train links over 30 major cities throughout Japan."

He said the provincial authorities would write soon to Japanese companies and others who might be interested in operating the rail service.

The elevated railway is part of the province's plans to develop an effective transportation system to serve the new city. "The plan for a new city is huge," he said, "And once you have a new city, transportation is the key to its success."

Dr Phairat said the new city plan should be ready for implementation within the next five years. A foreign research institute is studying a draft which covers the new city's possible location.

Dr Phairat said the site should be within 20 kilometres of the old city's heart and should have 10,000 rai available to meet the anticipated growth demand over the next decade.

The provincial authorities called for bids from people to propose a location and submit a development concept. But only one proposal, from local businessman Suraphan Shinawat, was submitted by the deadline at the end of November. Mr Suraphan proposed building the new city in San Kampaeng district.

A committee has been appointed to study the proposal and a decision is expected soon.

Dr Phairat said the Government would be responsible for providing the infrastructure linking the old and new cities. He said the committee may call a new bid to broaden its options and to ensure maximum benefits are generated for the public.

"San Kampaeng district has its limitations in supplying water and flatland. This might cause difficulties once we want to expand the city. We think about 10,000 rai will be required inthe next decade." Dr Phairat said he thought San Patong and Hang Dong districts were interesting alternative sites because of the availability of land and adequate water supplies.

The authorities will draw up a list of 10 business sectors suitable for operation in the new city, including the tourism and agro-industries.

Chiang Rai Seeks Economic Ties With Japan

BK0312025390 Bangkok BANGKOK POST in English 3 Dec 90 p 28

[Text] Chiang Rai wants close economic cooperation with Japan to improve the province's economy.

Provincial chamber of commerce president Sawaeng Kreauatanakun and adviser Dr Anucha Chintanakun have invited Japan External Trade Organisation (JETRO) executives and Japanese businessmen to visit

Chiang Rai. The proposal was expected to come during the tenth Thailand-Japan Economic Meeting, but the chamber failed to have the issue put on the agenda.

The Japanese have shown interest in visiting Chiang Rai soon to study investment and trade potential and investment-based business will be emphasised, say the Thai executives. This follows a new concept of economic cooperation between Thailand and Japan, which was earlier discussed between the country's prime ministers.

Dr Anucha said the concept was called "social and economic cooperation with development." The Thais, basing their plans on the Thailand-Japan White Paper, will combine business with social development.

"For example, they may launch an agriculture business here, and this will not just be for good quality products but to teach farmers how to improve the standard of their goods and increase production," he said.

If this works, Chiang Rai might become the first province to have direct business cooperation with the Japanese business community.

Dr Anucha said a number of Thailand's agricultural products need improving to meet Japan's standards, including mangoes and some meat products.

"In addition to calling for an open market, technical cooperation should be focused on raising the standard of these items," he said.

Mitsubishi and Marubeni, two of Japan's international trading giants, have also been invited to see if Chiang Rai's products are suitable for export to Europe. Among them will be stevia, or sweet-grass, which is made available as both dried stevia and stevia syrup.

Chiang Rai is the only province able to grow stevia at a high standard. It is about six times sweeter than cane sugar. Production is mainly for export for use as sugar substitutes.

Thai law prohibits the manufacture of artificial sweeteners to protect sugarcane planters.

Senior Officer Says Military To Avoid Politics

BK2711030990 Bangkok THE NATION in English 27 Nov 90 p A2

[Text] A senior military official reiterated yesterday that the armed forces would avoid politics in order to settle conflicts with the government.

Gen Siri Thiwaphan, acting chief of staff officer to the supreme commander, said the military would not comment on last week's Cabinet reshuffle which was said to have upset armed forces leaders. "It's all over. It's time for soldiers to go back to work," Siri said.

He was echoing comments by Supreme Commander Sunthon Khongsomphong, who on Saturday said he would no longer discuss politics in order to avoid criticism that the military was pressuring the government.

Sunthon and other military leaders have pushed for removal of controversial Minister Chaloem Yubamrung from the Cabinet. But Prime Minister Chatchai Chunhawan instead transferred Chaloem from the PM's [Prime Minister's] Office to the Education Ministry to assume a deputy minister's post.

On Friday, one day after the reshuffle was announced, military leaders boycotted a Defence Council meeting scheduled to be chaired by Chatchai.

Sunthon on Saturday gave an assurance that the military would not resort to "undemocratic" means to topple the government, but also warned the Chatchai administration against overstepping the line.

Gen Siri said the supreme commander had instructed his subordinates to avoid politics and "do their duty".

But Siri said he did not know whether military chiefs would turn up at Chatchai's Soi Ratchakhru residence tomorrow for their routine weekly breakfast with the premier. "The breakfast is a personal matter. It is not an official function," he said.

Supreme Command spokesman Lt Gen Narudon Detpradiyut also asked reporters to stop asking for military comments about the Cabinet reshuffle.

"We won't talk any more. If you love me, please don't talk about the past. Do you understand?" Narudon said.

Chatchai: Rift With Military Leaders Temporary

BK0312023490 Bangkok THAI RAT in Thai 29 Nov 90 pp 1,11

[Text] General Chatchai Chunhawan granted a special interview to THAI RAT correspondents on the evening of 28 November over the conflict between the government and the military. He said he believed that the problem would soon be settled. Although the military leaders did not show up for weekly breakfast with him as usual, they would come back some day. Gen. Chatchai said: "They are still angry with me. So, leave it. I have been trying to clear up misunderstandings, and I think everything would be better. I talked with Chot [General Sunthon Khongsomphong] the day before yesterday and I explained to him how I have to uphold democratic principles. I hope that he will come to understand my point. The same goes for other military top brass."

The prime minister said that he has the spirit of a militaryman. He is the son of a militaryman. He was born in the barracks. He said: "I am not stupid enough to keep Chaloem Yubamrung at the expense of the armed forces. To be frank, Chaloem cannot be compared with the armed forces, and I must choose the armed forces. But I was not able to do so because I must uphold democratic principles. I am the government leader with seven political parties in my coalition. Since the leaders

of other political parties did not want me to sack Chaloem, how could I sack him? It would not be democratic on my part."

Gen. Chatchai said that he came to power through democratic means, and therefore he would have to leave it through democratic means. "I am over 70 years old now. I have gone through so many things. I am too old to bend, since it would rather break me," Chatchai said, adding that: "I told Chot not to remain angry, but let us talk things over. I am too old. If I make any more mistakes, I will have no time left to make amends. This is my last stint and I do not want a problem which should not have been a problem."

Asked how long he would let the unclear situation remain as such, Gen. Chatchai said he did not think there was anything amiss between the military and the government at present. The current problem stemmed from the feeling of being hurt. "They might not come to understand it now, but later on they will understand. Well, they might understand it when I have left office. I thought it out thoroughly before making the decision. I realized that I had to take the middle road. If I followed the military and removed Chaloem from the cabinet, both the military and the government would be damaged. It is always easy to deal with a person like me. If you are not happy with it, then I will quit. And that is it. But as long as I am here, I will have to uphold democratic principles."

Asked what he would do if senators who are military officers join with the opposition parties in seeking to reconvene a special parliament session, the prime minister laughed and said: What will be will be. If the parliament is reconvened, they would attack him in the parliament instead of outside the parliament. He said that is good in a sense. Asked if there were any secrets involving the cabinet reshuffle, the prime minister said he never had secrets. He is frank and he has nothing to hide from others. "I am a prime minister who has gone through three parliamentary sessions already. The coming session in May will be the fourth and my term could be over. I cannot tell whether I will last the term, but will do my best without having any fear," Gen. Chatchai said.

Preparation Ordered for Possible Snap Election

BK0212030390 Bangkok THE NATION in English 2 Dec 90 p A1

[Text] Interior Minister Banhan Sinlapa-acha confirmed yesterday that he had instructed Interior Ministry officials to prepare for a possible snap election.

The minister did not explain why he ordered the preparation, which coincided with speculation that the premier might dissolve the House to overcome the current political crisis. The growing dissatisfaction with the limited Cabinet reshuffle last week and the earlier confrontation between the military and the government gave rise to the present political turmoil.

Highly-placed sources said on Wednesday that Interior Ministry permanent Secretary Anan Anantakun had issued an order to officials of the Local Administraion Department, including provicial governors and district chiefs nationwide, to be on the alert for a possible general election.

Responding to speculation that another Cabinet reshuffle might take placd right after the celebrations of His Majesty the King's birthday on Dec 5, following Prime Minister Chatchai Chunhawan's disclosure of his plan for another shake-up on Thursday [6 December], Banhan said the date of the new reshuffle has not been discussed yet.

"The premier himself has not said when he will reshuffle the Cabinet," said Banhan. He said Cabinet ministers in the quota of his Chat Thai Party had agreed during the party's meeting on Friday that they would assure full cooperation with the premier if he really wanted to rearrange the Cabinet line-up.

The shake-up, he said, would have to be discussed within the party too. Chat Thai, which is under the leadership of Chatchai, is the biggest party in the government coalition.

Banhan also denied reports that seven ministers from his party have offered to resign to give Chatchai a free hand in forming the new Cabinet through a thorough reshuffle.

In a related development yesterday, Phalang Tham Party leader Chamlong Simuang, meanwhile, said yesterday that he believes there would be another Cabinet reshuffle before the New Year's Day after the limited shake-up last month failed to satify all political parties concerned. "I believe there will certainly be another reshuffle," he said.

The shake-up, he said, might take place at anytime between Dec 7 and the New Year's Day, Chamlong added.

The Phalang Tham leader said he did not think the premier would invite his party to join the new Cabinet but if he would do so, the proposal must have to be discussed among party members. He suggested that the best way Chatchai should do to solve all political problems now is dissolving the House.

Social Action Party leader M.R. Khukrit Pramot meanwhile, reiterated that his party would not rearrange the Cabinet portfolios in its quota even if the premier wanted another reshuffle.

Khukrit said the shake-up, if [it] really takes place, would be unreasonable and would not help solve political problems the government is facing.

"The premier can reshuffle the Cabinet anytime he wants but the point to consider is whether there are acceptable reasons for the move," he told reporters during an interview at his Suanphlu residence.

Khukrit added that he did not think military leaders' boycotting of the Wednesday breakfast with Chatchai last week had anything to do with the premier's plan for another shake-up.

Papers Discuss Choices Available to Chatchai

BK0212034090

[Editorial Report] The 1 December issues of Thai papers EKKALAK, SIAM RAT, and BAN MUANG carry items on choices Prime Minister General Chatchai Chunhawan could take to tackle the current political problem.

The 400-word EKKALAK editorial on page 4, entitled "It Is Too Late," says: "If the prime minister's cabinet reshuffle on 20 November had been full scale, he might have been able to avoid the current severe crisis of confidence," adding that "by failing to honor the gentleman's agreement, the prime minister's prestige has declined considerably." Continuing, the editorial says Gen. Chatchai's image has become one of a master deceiver and "friendship between the government leader and the masses has been damaged beyond repair. Nobody cares anymore which cabinet ministers are retained or removed. People have begun to think about beginning anew with a new government and new leader." The editorial concludes: "The government and the masses now stand too far apart. It is too late to think about a major cabinet reshuffle now."

The 300-word SIAM RAT editorial on page 8, entitled "Dissolve Parliament If It Becomes Too Difficult," notes that even adjustment of the interest rate ceiling has become a political burden for Gen. Chatchai because some Chat Thai Party cabinet ministers have reportedly become unhappy with the adjustment as they were not consulted in advance. After pointing out that Gen. Chatchai has a hard time deciding what to do, the editorial says: "No matter how often the cabinet is reshuffled, the problem will remain because certain cabinet ministers who have bad images cannot be removed due to their being the major party financiers. The best solution is for Gen. Chatchai to dissolve parliament and call a new election. This will clean up the mess which has rendered the government inoperable. There is no need to fear that people may not be smart enough to distinguish between good and bad members of parliament candidates; they would not elect candidates who have no loyalty toward the nation, religion, and the monarchy. If there is fear still, the election date should be set to follow right after parliament dissolution, because this is the best way to prevent the people who seek to harass parliamentary democracy from carrying out their task."

The BAN MUANG's 1,000-word Ta Mo Lo Column on page 5, entitled "Political Impasse," explains that the current political confusion is real and the causes are: "cold war waged by the military against the government," "lack of discipline by government party members of parliament, and "senators joining the fray despite the fact that they should maintain political etiquette." Continuing, the column notes: "The current political confusion is not so much based on national administration flaws but on emotional and trivial issues. The failure of senior military officers to breakfast with the prime minister became a major issue. The behavior of a minister became an issue that involved pride that neither side would compromise." The columnist concludes: "The prime minister should resign to end this vicious circle and begin anew. I do not think the members of parliament will pick an outsider as a new prime minister and Gen. Chatchai could be picked to form a new government. If this is the case, by then the senior military officers will probably resume their breakfast with him."

King Asks Parties To Seek Mutual Understanding

BK0312055290 Bangkok BANGKOK POST in English 3 Dec 90 p 1

[Text] His Majesty the King last night urged all parties to unite and seek mutual understanding for common good and to resolve conflicts through dialogue. In an improvised address to 400 village scouts who gathered to receive the Royal Family arriving in Bangkok from Sakhon Nakhon Province, the King said the unity of the village scouts should be preserved.

Prime Minister Chatchai Chunhawan, Cabinet members and top military officers were at the airport to welcome the King whose speech contained a theme of unity. The King told the village scouts that all conflicting parties should hold dialogues for mutual understanding, taking into accounts national interests and the people's welfare.

All parties, His Majesty said, should not be obsessed with personal concerns. The King said conflicts can be resolved if all parties hold dialogues, cooperate, unite and willingly compromise their differences.

Meanwhile all Bangkok police units have been ordered to step up security measures to prevent untoward incidents while the whole country celebrates His Majesty the King's birthday.

Deputy Police Chief General Manat Khrutchaiyan said in a recent meeting with the chiefs of Metropolitan Police and Central Investigation Bureau there will be tight security at the Royal Plaza and Sanam Luang on December 5 where the Royal Guards' parade and celebrations are to take place, and at Government House on December 7 where a garden party will be held.

Uthong Nai and Sri Ayutthaya roads will be closed between the intersections of Wat Benchamabophit and Ratchasima Road; Phitsanulok Road from the intersection with Ratchasima Road to Chamaimaruchet Bridge; Ratdamnoen Nok Road from the Royal Plaza to Makkhawan Rangsan Bridge; and the entire Luk Luang Road.

King Addresses Royal Guards at Annual Ceremony

BK0312111890 Bangkok Army Television Channel 5 in Thai 0955 GMT 3 Dec 90

[Speech by King Phumiphon Adunyadet at the annual Trooping of the Colors of the Royal Guards in Bangkok marking his 5 December birthday—live]

[Text] The queen and I are very happy to see the strength and unity of the Royal Guards from all branches of the Armed Forces at this oath of allegiance ceremony and trooping of the colors. Thank you for all the pledges and wishes you have offered us in your sincerity and loyalty. I wish all soldiers my sincere blessings and friendship in return.

As everyone knows, besides having perfectly performed their duties in defense of the nation and its independence, sovereignty, and freedom, the Thai soldiers are also engaged in the duties of developing the country and promoting the people's welfare, duties that all soldiers are called upon to actively perform. The latter tasks entrusted to them have become their major duties, the same as their combat duties. This is because the soldiers' contributions to the development of the country—toward achieving national security and prosperity, improving the welfare, quality and capability of the general people, making them strong and self reliant, enabling them to attain unity and strength—will help free the country from the conditions of war and struggles, help it overcome poverty, and overcome all enemies both internal and external. Once it is free from the danger of war and miseries, the nation will enjoy stability, peace, and happiness. This will forever ensure the survival of our national independence, sovereignty, and freedom.

The soldiers must understand the sense of their responsibilities and, together, make full use of their knowledge, capability, and intelligence to perform their duties, in unity, in order to achieve successes that benefit national prosperity and the welfare of the people. Once they have fulfilled their responsibilities, the soldiers will be crowned with a real success and a genuine honor they can be proud of without concern for the praises of other people.

May the power of the Buddhist Triple Gems, all the sacred powers, and the power of their sincere loyalty to the nation protect all the soldiers so they are safe from all enemies and dangers. May they have physical, mental, and intellectual strength so they can effectively perform their major as well as minor tasks and achieve perfect goals, and have happiness, prosperity, and success for all their wishes.

Supreme Commander, Officers Call on Chatchai

BK0312062190 Bangkok Domestic Service in Thai 0530 GMT 3 Dec 90

[Text] At Government House at 1100 today, Supreme Commander General Sunthon Khongsomphong accompanied a group of military officers from 14 countries who will attend the oath of allegiance ceremony later today to call on Prime Minister General Chatchai Chunhawan.

Speaking to newsmen afterward, the supreme commander said the conversation between him and the prime minister concerned ordinary subjects, not about military affairs. He said the prime minister brought up Princess Maha Chakri Sirinthon's upcoming foreign trip. Asked about his relationship with the prime minister, General Sunthon said their relationship is normal; they met occasionally. Asked if he will breakfast with the prime minister at the latter's residence on Wednesday, Sunthon pointed out that this Wednesday is the King's birthday and a holiday. Asked about a cabinet reshuffle, Sunthon said he did not know, adding that one must be patient on this subject.

Problems of New Chatchai Initiatives Viewed

BK0312020190 Bangkok THE NATION in English 3 Dec 90 p A12

[Editorial: "Try To Please Everyone"]

[Text] Despite his "no problem" style of leadership, the prime minister seems to be running into problems wherever he turns these days while he tries to break out of a tight political predicament. The main trouble with him is that he tries to please too many people all the time; he ends up pleasing no one most of the time.

Last Thursday the premier came up with the bold idea of a major Cabinet shake-up as a way to rid his administration of its "image problem" once and for all. The surprising thing this time was that six new Cabinet members had been brought in late last month in the latest reshuffle, and had been sworn just a few hours earlier that day.

His Chat Thai Party quickly obliged, however. A party meeting on the following day endorsed the premier's idea. But instead of giving him a completely free hand, the party assigned secretary general Banhan Sinlapaacha and chief adviser Praman Adireksan to "assist" the premier in rearranging the Cabinet lineup.

The premier can be assured that Banhan will see to it that he is not moved out of his influential post as interior minister, and that Industry Minister Praman will work to get a portfolio commensurate with his status and political clout. Praman still hasn't got over the anguish of being forced to swap posts with Banhan in January. His followers have often complained that the industry post is far too small for Praman, one of the three co-founders of Chat Thai and the previous leader of the party.

If Premier Chatchai Chunhawan finds his hands tied by his own party, he can expect little or no help from his key ally M.R. Khukrit Pramot, either. M.R. Khukrit has spoken out against any reshuffle of the Cabinet any time soon, especially if it is going to affect the ministerial lineup of his Social Action Party [SAP].

M.R. Khukrit has publicly shielded Commerce Miniser Amaret Sila-on from criticism by SAP MPs unhappy with rising prices of food and commodities. Some of them were in fact upset by Amaret because he had paid little attention to their approaches for special favours. Amaret joined the Cabinet last August at the invitation of M.R. Khukrit and Premier Chatchai. But he has tried to maintain some distance from the parties to avoid criticism that he served politicians just to stay in office.

The Democrat Party, the third largest coalition partner, is cool to the idea of a major Cabinet shake-up too. The party was involved in four of the six Cabinet changes in the latest reshuffle, and it sees no need for any change to its lineup for a rather long while. Some senior Democrat party executives have indeed dismissed any hope of improving the image of the administration through a reshuffle. In their opinion, the best way to tackle the problem is for the premier to dissolve the House and call a general election.

If neither SAP nor Democrat will cooperate, the premier has the option of kicking both of them out of the government coalition and inviting in Solidarity and Prachakon Thai, the two largest opposition parties. But Solidarity leaders shot down this possibility last week and demanded the premier's resignation instead. Prachakon Thai leader Samak Suntharawet reiterated that the best solution for all parties was dissolution of the House as soon as possible.

For the time being, the premier seems stuck with the present coalition of seven parties, all of which appear more concerned about their respective political interests than helping him improve the image of his administration. Even the Muan Chon Pary of Chaloem Yubamrung ignored the fact that Chaloem's transfer in the latest Cabinet reshuffle from the post of PM's [Prime Minister's] Office minister to deputy education minister was meant as a "demotion" for his quarrel with the military. Chaloem has settled down in his new job and started keeping a low profile to keep himself out of the front page of national newspapers and the prime-time TV news, at least for the time being.

Suddenly the premier seems to be the only person in the administration unhappy with the status quo. What might be making him so restless? Is he still trying to placate the military.

The four top military commanders have boycotted the Wednesday breakfast the premier holds at his residence twice in a row. But they may be interested in dropping by this Wednesday to check whether the premier is really serious about a major Cabinet reshuffle this time.

Vietnam

Council of State Discusses National Assembly

BK0312050890 Hanoi International Service in English 1000 GMT 1 Dec 90

[Text] The Vietnamese Council of State has met and discussed preparations for the forthcoming National Assembly session. A statement released at the end of the meeting held on 11 November said that the State Council welcomes peoples, localities, and organizations' opinions and suggestions to the working program of the session. Based on the report of the Council of Ministers, the Council of State drafted a program of lawmaking in 1991 of the National Assembly and the Council of State. The program will be submitted to the Eighth Session of the National Assembly for opinion.

National Assembly Session 5-21 Dec

BK0112090390 Hanoi Domestic Service in Vietnamese 0500 GMT 1 Dec 90

[Text] The Office of the National Assembly and the Council of State held a press conference yesterday, 30 November, on the Eighth National Assembly's eighth session.

Comrade Vu Mao, head of the Office of the National Assembly and the Council of State revealed that the Eighth National Assembly's eighth session is scheduled to be held on 5-21 December.

The session is to be divided into three major parts:

The first is the core of the session and will review the implementation of socioeconomic task of 1990, and determine the orientations and plans for socioeconomic development in 1991. It will also discuss the handling of the 1990 state budget, the 1991 state budget estimate, and the final balances of the 1989 state budget, in addition to supplementary reports on anticorruption and antismuggling.

The second part is legal work. The Council of Ministers will present four draft laws to the National Assembly for consideration and approval. They are the law on private trading, the law on share-holding companies, the law that admends and supplements the law on military service, and the law on the Vietnamese People's Army Officers. The Council of Ministers will also present the draft laws below to the National Assembly for their views. It will publicize them later for public views and further rectifiction before resubmitting them to the National Assembly for approval in a later session. These laws are: The law on forestry, the law on popularization of Level-I general education, the law on child protection, care and upbringing.

The last part contains the following:

—The National Assembly will give its views on a report on the activities of the Eighth National Assembly and the Council of State over the past three years and on its course of action until the end of its term of office.

—The standing organizational and operating procedures of the Nationalities Council and of various standing committees of the National Assembly.

—The amendment and supplement to a number of articles in the National Assembly Deputies' Statute and in procedures of the meeting.

—Reports by the juridical and control sectors and our state on foreign relations.

VNA Clarifies Hanoi's Position on Cambodia

BK0112032990 Hanoi Domestic Service in Vietnamese 2300 GMT 30 Nov 90

[Text] Recently, some foreign news agencies have wrongly reported that Vietnam is no longer concerned with the Cambodian issue, and there have been rumors that Vietnam has returned its troops to Cambodia. VIETNAM NEWS AGENCY is authorized to reject all these untrue reports. Once again, VNA asserts that since September 1989 Vietnam has withdrawn all its troops from Cambodia.

Vietnam's stand for an overall political solution to the Cambodian issue is consistent and clear. Vietnam welcomes the five countries' effort to accelerate the process of seeking a solution to the Cambodian issue and the joint document issued. However, Vietnam thinks that negotiations aimed at formalizing that document into a draft agreement must be the duty of the Paris International Conference on Cambodia with the participation of all Cambodian sides and the member-nations of the International Conference on Cambodia.

All solutions to Cambodia must be based on respect for the sovereignty and right to self-determination of Cambodia. The internal issues of Cambodia must be decided by the Cambodian people. Vietnam as well as other countries will observe their decisions just like it has done thus far and will continue to make positive contributions to the process of politically settling the Cambodian issue.

Socioeconomic Development Strategy Adopted

BK0212160090 Hanoi VNA in English 1528 GMT 2 Dec 90

[Text] Hanoi VNA December 2—The Central Committee of the Communist Party of Vietnam at its recent 10th plenum adopted the draft "Strategy of Socioeconomic Stabilization and Development up to the Year 2000". Together with the draft "Platform for the Building of Socialism in the Transition Period" adopted at the same plenum, this draft will be subjected to discussion among the entire party and people before going to the 7th national party congress to be held in the second quarter of 1991 .

Part one: socio-economic reality and development resources.

Part two: development approaches and objectives.

Part three: structure of the economy.

Part four: major policies and measures.

On the socioeconomic situation, the draft notes that "the approaches and policies on renewal laid down by the 6th congress of the party have led to changes of a turning-point significance. But progress is not yet steady, the consequences of past errors are still heavy and many new difficulties have emerged".

On the development approach, the draft lays down the following principles:

- To realize socioeconomic development along the socialist road to build an economy with a multi-sector structure and many forms of ownership,

- To build an open economic system,

- To build mainly small and medium production units,

- To carry out industrialisation and modernisation of the country in conformity with practical conditions.

Concerning external economic relations, the draft says:

"To adopt a policy of openness regarding external economic relations, to ensure a stable politcal and social environment and favourable conditions for the country's development and its interflows and cooperation with the outside world".

"To broaden and raise the effectiveness of our external economic activities, turn to account the needs, interests and possibilities of each foreign partner, to diversify and multilarize [as received] our external economic relations. By the year 2000 the total value of our imports is to have increased fivefold as compared with 1990".

The draft lays down the following strategic objectives: "Socio-economic stabilization and development, improvement of the people's living conditions, emancipation from the state of being a poor and underdeveloped country, creation of conditions for a faster development in the early 21st century."

"To ensure that by the year 2000 per capital national income will have increased at least twofold compared with 1990. To gradually increase accumulation from within the economy which by the year 2000 will have to make up 15 percent of the productive national income."

"By 1995 at the latest we should get out of the crisis, stablilise the socio-economic life ... "

On the renovation of the management mechanism and organization , the draft says :

"To abolish thoroughly the mechanism based on bureaucratic centralism and state subsidies, form a new management mechanism and organization linked to the renovation of cadres in conformity with the planned development of the multi-sector commodity economy. To strengthen the state's managerial function vis-a-vis the market and all economic and social activities along with fully guaranteeing the right of autonomy in production and business of the economic units."

About planning, the draft says:

"To renew basically the planning mechanism, undertake the conversion from the model of centralized planning to the model of planning geared to the regulated market, from direct planning by mandatory quotes to planning by guiding quotes based on targets. To reform the banking system, enhance the function and responsibility of the state bank in the management of the monetary market."

"To effect a unified market price mechanism. The state undertakes economic measures to influence supply and demand on the market so as to stabilise prices and only directly fix the prices of a very small number of product of a monopolistic character of essential necessity, as well as promulgate a price insurance policy for a number of agricultural products and export goods."

'Socialist Model' Blamed

OW0312043590 Tokyo KYODO in English 0321 GMT 3 Dec 90

[Text] Hanoi, Dec. 3 KYODO—The Vietnamese Communist Party intends to double current per capita income of 200-210 dollars in 10 years by "rapid" economic development in the second half of the 1990s, according to a draft of its economic strategy plan for the decade obtained by KYODO NEWS SERVICE on Monday.

The document is described as "a draft of strategy for social-economic stability and development by 2000," and pledges to legally guarantee private economic activities.

The 29-page draft sets out the basic policy line promoting "doi moi" or renovation, the Vietnamese version of Soviet perestroyka. It also admits that Vietnam remains as one of the poorest countries in the world.

The document attributes economic failures to the pursuit of a dogmatic "socialist model of economic development," including overemphasis on heavy industry and abolishing private business.

It points out the need for legal guarantee of individual economic activities, realization of an open door economic system, and industrialization by applying science and technologies as the basis for economic development.

The party also sets such goals as improvement of living standards by solving the unemployment issue and reducing the birth rate.

The draft also forecasts development of large-scale oil and natural gas fields and mineral resources.

The party projects the country's population in the year 2000 at 80 million, with a labor force of about 45 million people. The current population is 66 million and the labor force is about 32 million.

Magazine Notes U.S. Investments Despite Ban

BK0212100090 Hong Kong AFP in English 0950 GMT 2 Dec 90

[Text] Hanoi, Dec 2 (AFP)—The United States is Vietnam's 19th biggest foreign investor, despite Washington's 15-year ban on U.S. investment in the Indochinese country, an official publication said here.

The Hanoi-based Market and Price Weekend magazine, said American investment was still light and was concentrated in the oil sector, but did not give details.

The state Foreign Investment Commission confirmed the magazine's rating of U.S. foreign investment, but refused to give figures or identify the American companies, which it said could be open to sanctions by Washington.

Unofficial sources said U.S investment totalled about 1.9 million dollars.

An informed source said American firms were in Vietnam using dummy companies in association with other foreign companies or through joint ventures with Singapore, Taiwan or Japanese firms.

Oil industry sources said there was U.S. involvement in at least one specific project, the expansion of the Ho Chi Minh City refinery to lift capacity to a projected 250,000 tonnes annually from its current level of 40,000 tonnes.

The contract for that project was signed in october by Electronic Investments Enterprise, a U.S.-Japanese joint venture.

Until 1975, when Hanoi reunified the country after defeating a U.S.-backed government in the South, U.S. oil companies were well established in South Vietnam and Mobil discovered Bach Ho—the only Vietnamese oil field currently in production—two months before the fall of Saigon, now Ho Chi Minh City.

It also discovered a field at Dai Hung a few weeks before the departure of U.S. troops.

Western sources in Ho Chi Minh City said U.S. oil companies were still interested in exploration blocks which they prospected in the 1970s, but which are now being developed by the Soviet-Vietnamese joint venture, Vietsopetro.

Although Washington's embargo on Vietnam prevents U.S. oil companies from direct investment, Hanoi has reportedly undertaken to protect their options until 1991 in the hope that the investment ban would be lifted by then.

Australia

Faction Leaders Express Concern Over Gulf

BK0312074390 Melbourne Overseas Service in English 0500 GMT 3 Dec 90

[Text] Faction leaders of the federal parliamentary labor party have expressed deep concern to the prime minister over the prospect of war in the Gulf. The faction leaders met the prime minister, Mr. Hawke, Foreign Affairs Minister Senator Gareth Evans, and Defense Minister Senator Robert Ray at the talks this morning in Canberra. Camille Fernel has more from Canberra.

[Begin Fernel recording] Faction leaders did express concern about the likelihood of war in talks with the prime minister this morning, but there appears to be no move to overturn any cabinet decision. The center-left expressed concern that Australia does not get itself over committed, saying it wants to insure the negotiating process is given every chance to work. The left, which in the past has opposed in the escalation of Australia's involvement, is now divided on the issue.

All factions plan to hold meetings tonight. Federal cabinet is now meeting and, as expected, while there are no proposals to boost the naval contingent, consideration is being given to upgrading the role of the ships and possibly moving them closer to the action if war should break out. [end recording]

Fiji

Opposition: Suspended Sentences 'Scandalous'

BK2311093490 Hong Kong AFP in English 0829 GMT 23 Nov 90

[Text] Suva, Nov 23 (AFP)—The Fiji opposition Friday slammed as "scandalous" suspended sentences given to five Fijian soldiers who abducted and beat up a dissident university lecturer, and claimed that the judiciary had been "politicised."

The soldiers were given two-year suspended jail sentences and each fined 320 Fiji dollars (224 U.S.) for what the court called "the barbaric torture" on October 24 of Anirudh Singh, an ethnic Indian who led a protest against the country's new Constitution.

"Of late it seems that justice has been suspended, judging by the number of suspended sentences meted out for serious crimes," Adi Kuini Bavadra said Friday. "It appears the rule of law has been completely broken down. No citizen is safe as people can no longer rely on the state to protect them."

Adi Kuini, who heads the National Federation Party-Fiji Labour Party, said that her party had called on Chief Justice Sir Timoci Tuivaga to explain "how a suspended sentence was justified on such a serious crime."

The court was told Thursday that Captain Sotia Ponijiase and four non-commissioned officers abducted the lecturer, Anirudh Singh, because they believed he had "insulted the president, prime minister, the Great Council of Chiefs and the Fijian people." Dr. Singh and six other Hindu men were charged with sedition and unlawful assembly after a copy of Fiji's new Constitution was burned in a trash can during a religious festival here on October 18. They are due to appear in court again next Thursday.

The Constitution keeps control in the hands of Fiji's indigenous Melanesian population, which is roughly equal in numbers to the ethnic Indian population.

New Zealand

Two Air Force Planes To Join Forces in Gulf

BK0312063290 Melbourne Overseas Service in English 0500 GMT 3 Dec 90

[Text] In a major policy change, New Zealand has decided to take part in the military build-up in the Gulf. The New Zealand prime minister, Mr. Bolger, said two Air Force Hercules will be sent to join the international force in the region.

Until now, New Zealand has refused to have any military input in the Gulf. Policy change follows the United Nations Security Council decision last week, to allow the use of force if necessary to dislodge Iraq from Kuwait.

Prime Minister Bolger Elaborates

BK0312090190 Hong Kong AFP in English 0852 GMT 3 Dec 90

[Text] Wellington, Dec 3 (AFP)—New Zealand Monday softened its four year old anti-nuclear foreign policy which infuriated Washington and put it off-side with most of its allies, with an announcement that it will send military forces to the Gulf.

Although a modest contribution—three aging C-130 Hercules transport planes and a military medical team—Defence Minister Warren Cooper said it was likely to be under a form of ANZUS (Australia, New Zealand and United States) Pact control.

Under the previous Labour government Washington suspended ANZUS relationships with New Zealand after Wellington refused to let in U.S. warships without assurances they were not nuclear armed.

In 1986 New Zealand passed anti-nuclear laws which forbade nuclear warships from entering ports here.

The same law also appears to prohibit—although it has never been tested in court—New Zealand forces from being involved with "nuclear capable" forces of other countries.

Although the now ruling National Party said while in opposition that it endorsed the anti-nuclear laws, the Gulf contribution is in marked contrast to Labour's policy of being independent of Western military alliances. National had also promised in the election campaign it would try to achieve closer links with the United States and Australia while maintaining its anti-nuclear policy.

The Gulf move announced by Prime Minister Jim Bolger, in office for just five weeks, signalled a clear change of direction, but acting leader of the opposition Helen Clark called it "an attempt to curry favour."

Mr. Bolger, in a statement, said it was a demonstration of solidarity against Iraqi President Saddam Husayn's occupation of Kuwait.

"We do not seek to be involved in war. We want to do our best to prevent war by making a modest contribution to the multinational forces now operating in the Gulf area under United Nations auspices," he said.

Under Labour, New Zealand, torn by strong pacifist sentiment, was uncertain what to do over the Gulf, and eventually offered a civilian medical team to work with the Red Cross and a plane for use by the United Nations on peacekeeping missions. Neither offer was taken up.

Public opinion polls taken in September indicated the majority of New Zealanders wanted no part of military involvement in the Gulf.

Mr. Cooper said Monday's move was taken after consultations with the U.S., British, Canadian and Australian Governments.

"It will be a signal to those countries that New Zealand has not retreated into the South-West Pacific and has not opted out of the interdependence which is an essential part of international security," he said in an interview. He said the contribution would "certainly" help when New Zealand began trying to re-establish military ties with its old allies.

Mr. Cooper said command of the New Zealand contribution still had to be worked out but he indicated there was likely to be an ANZAC arrangement with the Australians.

Answering a question in Ms. Clark's statement, Mr. Cooper said the New Zealand planes would be used to transport troops of other nations. "Does she think we will be taking Christmas presents?" he demanded.

Ms. Clark said the contribution "appears to be more of an attempt to curry favour with certain other nations than a considered response to any fresh developments in the Gulf. "No doubt the government also sees this military adventure as providing a welcome distraction of public attention from national's failure to effectively tackle domestic issues," she said.

Papua New Guinea

Irian Jayan Rebels Release Hostages 30 Nov

BK0112103490 Hong Kong AFP in English 1023 GMT 1 Dec 90

[Text] Sydney, Dec 1 (AFP)—Irian Jayan militants have released six hostages, including a New Zealander and an American, Papua New Guinea Prime Minister Rabbie Namaliu said Saturday.

The hostages were released Friday near a Catholic mission on Papua New Guinea's border with Indonesia, Mr. Namaliu said in a statement released in Port Moresby. "All are reported to be in excellant health," he said.

The hostages—five foreigners, including two missionaries, and one Papua New Guinean—had been held captive in thick jungle since November 18 by separatists demanding independence for the eastern Indonesian province of Irian Jaya.

Among those released were New Zealander John Short and American Steven Schaeffer, both of the Christian Missions in Many Places group, the statement said. The others were Barry Cirlo, Oscar Tirones and Armando Heraldo, all Filipinos, and Karl Gumari of Papua New Guinea, the statement said.

Western Samoa

Debate Continues on Universal Suffrage Bill

BK2911113890 Hong Kong AFP in English 0837 GMT 29 Nov 90

[Text] Apia, Nov 28 (AFP)—Critics of electoral reform in Western Samoa were warned here Wednesday by Prime Minister Tofilau Eti Alesana not to involve the head of state, Malietoa Tanumafili II, in the debate. His comments came in the Fono (parliamenent) during debate on a bill to introduce universal suffrage here.

Currently Western Samoa allows only family heads holding chiefly or orator titles (matai) the right to vote.

The bill follows a nationwide referendum in October in which 49 per cent voted in favour of universal suffrage, and 44 per cent against. Last Friday a delegation called on Malietoa and asked him not to sign any law which would allow universal suffrage.

The group presented a petition signed by 70 people who argue that amending legisation should not proceed unless the Constitution is changed. This would require the approval of two thirds of the 47 member Fono, which in turn would defeat any attempt at reform as neither political party enjoys such a majority.

In debate Tofilau said a constitutional amendment was not necessary. He said the only changes needed were to the 1963 electoral act. He said nothing in the law

prevented this amendment from proceeding, adding, "this bill only carries out the will of the public."

In the Fono previously the house speaker has always tried to keep references to Malietoa, head of state since 1962, out of debates.

Opposition MPs, some of whom support universal suffrage, have criticised the amending bill for being either unconstitutional, confusing or for being presented too quickly before MPs could consider the issues. They also questioned the validity of the referendum.

Meanwhile senior government MP Toi Aukuso suggested that general elections normally scheduled for February could be held off until May. It was understood that this move would be considered by a cabinet meeting Thursday.